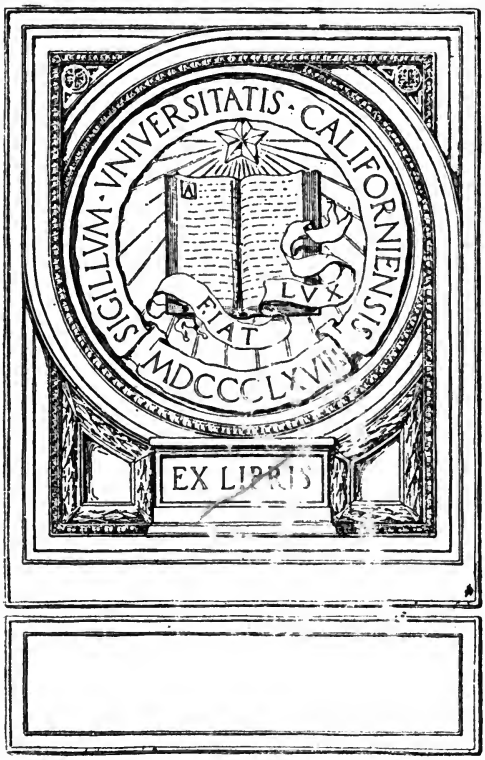
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SOUTH AMERICA

AN INDUSTRIAL AND COMMERCIAL FIELD

SOUTH AMERICA

AN INDUSTRIAL AND COMMERCIAL FIELD

By

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ILLUSTRATIONS

SOUTH AMERICA

CHAPTER I

INTRODUCTION

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THERE comes a time in commerce—which, after all, is part of the life of an overwhelming multitude of men—when the tide of fortune is at the flood. It is needless to paraphrase Shakespeare in order to impress the point. The difficulty with so many men is to distinguish between the flood and the ebb. It is clearly owing to the possession or the lack of this power of judgment that fortunes and reputations are made and lost.

It will sound both pompous and unnecessary to explain that it is the lowest ebb which precedes the first swellings of the flood. Yet when this sort of metaphor is applied to a definite case and period, there is some excuse for it. It would decidedly seem that the condition of British trade with South America at the present moment justifies it.

No faculty is more dangerous just now than that of the prophetic instinct. The changes which the end of hostilities will bring into what is termed every-day life are not even yet to be realized to the full,

and there are very few people who have attempted to look beyond the kaleidoscopic scenes of the present —which is probably just as well, for an appalling waste of the power of speculation would otherwise have been entailed!

Nevertheless, if it be possible to judge at all from the rapidly changing circumstances of the present day, it would seem that the promise of the near future has never been equalled in the annals of British trade. Whether in six months or in six years from now, opportunities will offer themselves of a kind which no nation can dare to expect twice in the course of its existence.

I have endeavoured in a later place in this volume to explain the unwholesome influences which for a couple of decades and more have interfered with the true prosperity of the international trade with South America—and, incidentally, with the remaining quarters of the world as well. I have tried to make it clear that the policy of German commerce has been as destructive in its way as has that of its submarines.

The aim of modern German trade, indeed, has been to destroy the commerce of other nations, at no matter what immediate cost to itself. The wider the destruction and the greater the clearance, the more profitable would be the volume of the German trade which was to have occupied the place of the wrecked international organization of the world. But, until this was to be achieved, the process was nothing less than a bitter form of commercial and industrial war, in which each advantage was dearly bought, and in the course of which many of the orders booked from customers, instead of representing a fair gain to the firm that obtained them, stood for a loss in finance, power, and energy, just as the effects of the firing of a 17-inch gun are not to be achieved without an important outlay of all these assets.

There may be some who will contend that the

appearance of this book is premature, and that affairs of commerce and peaceful industry may well wait until a complete re-establishment of normal times. This contention is well enough in its way, and that it is reasonable up to a certain point there is not the faintest doubt. At the same time, it is clear that a nation or a man who would succeed at the present juncture must show a versatility and a state of preparedness such as will obviate a pause of the kind which more than once has endangered the very existence of the British Empire during the past few years.

It would be rash, in fact, to lose sight of the possibility of a commercial international war following immediately on the heels of the struggle of arms. It is certain that the evidence of this will not show *on the surface* until very many months after the conclusion of peace. It is the hope of every one of the Allied Powers that the military strength of Prussia will be so utterly crushed at the conclusion of hostilities that its overbearing autocracy will never again be able to display the arch-insolence of that aggression that brought about the present conflict. Humanly speaking, the probabilities are in favour of this. Nevertheless, it is necessary to take every possibility, as far as it can be foreseen, into consideration.

Even in the case of a complete military victory, for instance, it by no means follows that an acute and bitter struggle between the commercial elements of the two nations will not ensue when the interval of exhaustion has been overcome, notwithstanding the fact that Germany must find herself crippled in every branch of her industries to an extent which very few of her own people would seem to realize, and that doubtless is being designedly kept secret by the few among them who are in possession of the facts.

It would seem probable, however, that a complete

victory of the kind most righteously demanded by the great allied democracies is only to be obtained by the employment of a still greater force than that of arms, and by the co-operation of the democratic elements (provided that these are shown to exist in sufficient quantities) of the German people themselves. Failing this, Great Britain will assuredly continue to be faced by a rival, sullen and enraged at the failure of her military plans of conquest, who will throw into the commercial fight every ounce of that energy which she had before flung into her preparations for war.

In such a case, there is not a doubt but that this commercial threat will be a formidable one, and, indeed, there is no reason to suppose that its enterprise will not be even more gigantic than was the German mercantile campaign before the war. There is no reason, however, to regard even such a possibility as this with any real alarm ; for in all her history Great Britain has never been in a more favourable position to cope with competition, however intense, on the part of other nations.

Even the dark cloud of the war has not been entirely devoid of its silver lining. The tragic taskmaster has taught the British nation how to take the strain of pressure from without, and how to throw the whole of its energy into the gigantic needs of the production which the occasion has demanded, if the nation were to survive. As a result of this, feats in productiveness have been achieved which would have been deemed impossible in the easy, piping days of peace.

It is, indeed, difficult to regard the industrial situation of Britain to-day without a profound sense of amazement. In many respects it is intensely gratifying as regards the present, but at the same time it reveals a humiliating picture of the past ! When we have time to reflect calmly and at our leisure—which fortunate condition of affairs will undoubtedly not come about until a long time from now—there

will be much to wonder at in the fact that, with no less than five millions of the flower of Great Britain's manhood under arms, the remainder of her male population, aided by a great army of women workers, have succeeded in producing an industrial output greater than was the case when the full strength of the male population of workers was at work.

It is true that in order to effect this the strain upon the workers has in many quarters been too severe to render it desirable to attempt to continue this splendid feat for too lengthy a period of time. For all that, the regular workers—a sufficently small remnant—who have been left behind in Great Britain, and those amateur substitutes who have taken the place of the millions who were called to the front, have stood, and are standing, the test with complete success.

It must be admitted that there were very few who anticipated any such tremendous revelation of the full strength of the nation. And, mingled with the pride with which it should properly be regarded, there must be some uncomfortable heartsearchings concerning the period which preceded the war—when the nation and its leaders snored side by side.

We see now (and it is not a little comforting to reflect that the situation was the result of an artificial chain of circumstances instead of that alleged national decadence which was wont to be spoken of with such easy tolerance) that there was no real reason why the control of the produce of the workshop, the factory, and the building yard should have been yielded with such extravagant generosity to the foreigner. We see, moreover, that it is possible for Great Britain to maintain her place amongst the foremost of the industrial nations, although, of course, it would be foolish in the extreme to hope, in view of the altered commercial conditions of the world, that the practical monopoly which she enjoyed for so great a part of the nineteenth century could ever return.

This is surely not of the slightest consequence, provided that proper advantage be taken of a situation which may well lead to a period of industrial prosperity such as Great Britain has never experienced in her previous history. But in order to bring this about the power of these great new forces must not be allowed to hesitate or to pause in its application. In the old days the sword was beaten into the ploughshare—but much the same weapons now serve for both peace and war, and there is no reason at the present day for even this brief delay. If the war of soldiers is to be followed by the war of commerce, as is by no means impossible—and as will not be made clear until some time after the cessation of hostilities—then the mighty industrial force of Great Britain and her Dominions must be turned on to its proper objects before the echoes of the last cannon-shot have died away.

It is possible that this day may not be so very remote after all, and if this volume furthers a state of preparedness that may result in even a single stray commercial victory over hostile competitors, it will not have been written in vain.

CHAPTER II

INVESTMENTS AND INFLUENCES

British investments in South America—Their extent in comparison with those of other countries—Some difficulties in the estimates—The nature of the British interests in South America—Interests direct and otherwise—The Southern continent as a field for investment—The situation of British manufacturers and merchants—The great industrial undertakings of the continent—Influences which have affected British trade in the past—Task of the Empire—Some evidences of commercial slackness during the past quarter of a century—Great Britain's chief competitors—Policy of the Prussians—The motives of German trade—The blending of the Prussian military and commercial parties—Potsdam as an encourager of commerce—German trade as a direct agent of destruction—Some examples of this—Desperate condition of the German commercial world—The counterpart of the U-boat policy in the mercantile world.

THE amount of British investments in South America is variously estimated. As is inevitable in such a case, experts are somewhat inclined to disagree in their computations of the total. Some idea of the magnitude of this, in any case, may be gleaned from the fact that reliable authorities have placed the amount of British capital invested in the whole of Latin America as exceeding one thousand millions sterling.

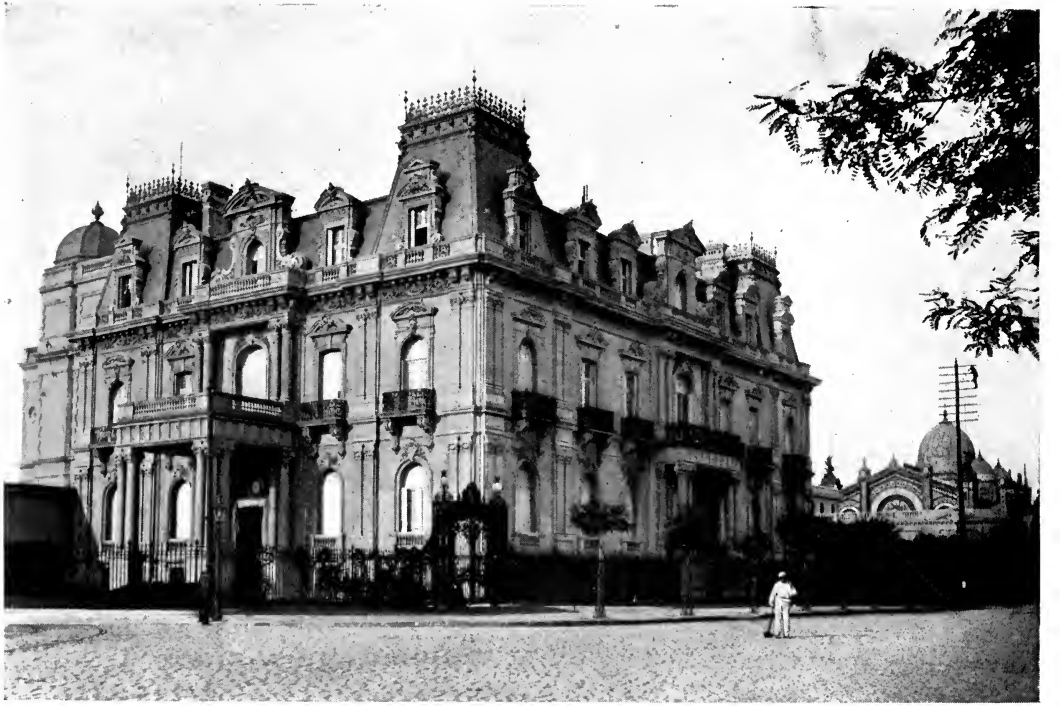
This is a sufficiently vast total, and previous to the outbreak of the great European War it would have impressed the investigator with a sense of amazement. As it is, one calculates that it would suffice to keep Great Britain's share in the hostilities going for six months or so—a circumstance which tends to prove

how things which appear quite vast at one period are liable at another to diminish in a curious fashion!

In any case, however, it is certain that no other nation can compare its financial interests in Latin America with those of Great Britain, although it is certain that those of the United States have lately been increasing in both a rapid and an important fashion. It is perhaps needless to explain that the difficulties in the way of detailed and strictly accurate computation are great. So far as the public investments are concerned, nothing could be simpler. The capital workings of the great companies are easy to be followed. But these, after all, only constitute a part of the British interests in the Southern continent, although, undoubtedly, by far the greatest. There are, beyond these, the holdings of those numerous and wealthy communities that have embarked their capital privately in landed estate, and in various businesses and occupations, the details of which are entirely their own affair, and which are frequently only to be guessed at by the outsider. It is owing to such factors as these that the inevitable tendency is for the total of British investments in the Latin continent to be underestimated rather than to be exaggerated.

The nature of the British interests in South America is twofold. There is the direct interest, which comprises not only a stake in one of the Southern Republics, but, in addition to this, an existence in the country and a sharing in the labours on the spot. The indirect interest is that of the investor who places his money in one or other of the companies concerned with South America, and who stands to gain from the prosperity of the concern. In the indirect category, too, may come the merchant and manufacturer, resident in Great Britain, who looks to the South American market to buy a certain proportion of his goods.

So far as the direct interest is concerned, there would



BUENOS AIRES MANSION.

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seem very little cause for uneasiness. Here the Englishman—whether he be concerned with the details of railways, tramways, transport in general, lighting or electric enterprises, mines, landed estate, or any other interest of the kind—has been tested, and has not been found wanting in the course of a century and more. Working side by side with the Latin population and with the varied and cosmopolitan representatives of so many other branches of the human race, he has the advantage of a wide outlook and of an experience on the spot without which very few satisfactory conclusions can be arrived at in dealing with South American affairs. In this respect the representatives of the British companies and those others who are in the Southern continent for their private concerns acquit themselves admirably, and show themselves well able to hold their own against international competition—a competition which is every year growing more keen.

As regards the British manufacturers and merchants who carry on their business with South America from their offices at home, the situation has been by no means so satisfactory of recent years. The barometer of prosperity here, of course, is represented by the figures of the exports from the United Kingdom to the various Republics. It is true that the quantities of British goods thus exported have increased. Nevertheless, in many instances the proportion of this increase, as compared with that of several other countries, leaves much to be desired.

It seems only too clear that it is this section of the British interests, rather than the efforts of the British who are actually in South America, to which the utmost attention will have to be paid when the moment comes for the great markets of the South to be once more fully opened to the world's trade.

So far as it is possible to judge of anything at all at the present moment, symptoms would not seem to be lacking that a serious effort will be made to retrieve

a situation that, before the outbreak of the war, had grown far more grave than the nation at large was willing to admit. Providing that the promise of this is realized—and there will be something very rotten in the state of Denmark if it is not—there is no doubt, to my mind, that the enterprise must be successful.

Recent events should make it unnecessary to emphasize this point. The British trade with South America is, after all, subject to precisely the same influences as the other assets of the Empire. It is part and parcel of that great machine that, until the fateful August of 1914, lacked no oil, but merely a few more tons of life-giving coal. It does not need a particularly acute prophet to foretell that, unless every industrial and commercial nerve be strained towards improving the British position in South America, the consequences will not only be disastrous, but they will be felt with an extreme rapidity—for the present age is one where the consequences of actions are almost as swift as the means of locomotion.

As the gigantic war proceeds on its appointed course, it becomes more and more evident that even from out of the greatest tragedy that the world has ever seen the inevitable amount of moral and even material good is being derived. One of the beneficial results that may be taken as a set-off to some of the grim figures on the other side of the ledger has been the shaking of the centre of the British Empire from out of its lethargy—a lethargy which, had it been permitted to continue, must have proved fatal to the most civilized Empire the world has ever seen. Whether this happy result could not have been achieved at a less ghastly cost is a point which need not be entered into here.

It seems to me that from the enormous sacrifices which it has undergone, and which it is still undergoing, the Empire will emerge cleansed, hardened, and once again properly nerved and fitted to fulfil

its high destiny. At a later stage of this volume I have tried to point out that the regeneration which is at present in the course of demonstrating itself must be accompanied by ubiquitous results. These will by no means be confined to the moral and intellectual status of the nation; for surely, in the ordinary course of events, the consequences must be vital to every branch of the national life, and must primarily affect the realm of ordinary and prosaic commerce.

There is no doubt, as has already been said, that during the past quarter of a century British commerce has suffered from a certain lack of enterprise, a condition of affairs that has been eloquently rendered in the trade statistics of these years. There is, nevertheless, a certain consolation at the back of these figures.

In South America, as in nearly every other part of the world, Great Britain's chief competitor has been Germany; and in South America, as in many other parts of the world, the Germans have succeeded in obtaining for themselves far too large slices of British commerce.

It has become clear, I think, to everybody, by this time, that unless British trade is reorganized in the very near future, the consequences cannot fail to be disastrous to the country. At the same time, it is unlikely in the extreme that Great Britain will have to continue with the same species of competition that has caused so much damage at the hands of Germany during the past quarter of a century. This requires some explanation.

It is becoming more evident every day that the system of German trading which has been brought into being during the last twenty-five years or so is of an entirely artificial order. In the minds of many, the various industrial situations of this period have been associated merely with the rival schools of Protection and Free Trade. We see now that there has in reality

been far more at stake than this. In order to make clear the British commercial position in South America, it is necessary to go into this question at some length. It is essential, too, to analyse the motives of that astonishing commercial campaign which was brought to an abrupt end by the Germans themselves in 1914.

The Prussian policy has been made perfectly clear by her own statesmen and professors, notably by the arch-Junker Bernhardi, who urged that the nation should gather her riches from at home and abroad in order to prepare for the great aggression. For, says Bernhardi, "under conditions like the present the State is not only entitled but is bound to put the utmost strain on the financial resources of her citizens, since it is vital questions that are at stake."

It is certain that from the beginning of the twentieth century onwards the logical results of this policy had become strongly accentuated. A hundred political and commercial Bernhardis have spoken with no uncertain voice on the subject.

There is not the faintest doubt, in fact, that German trade has been harnessed to the chariot-wheels of the militarist Prussian Empire. It has been made to serve the interests of Potsdam almost as directly as the submarine, the poison gas, and those other weapons which have been so ruthlessly employed by the agents of Prussia.

The policy of the recent German trade, as a matter of fact, has been entirely destructive. It has been faithfully based on the insane maxims of the Treitschkes, Bernhardis, and the other cranky and foaming brethren of the sword and of the pen. The very first aim of the subsidized German trader has been to destroy utterly the commerce of his neighbours, in order that—"according to the obvious desires of the German prophets and gods"—the wrecked trade of the inferior beings of this earth should be taken over by those whose extraordinary conceit would have been merely laugh-

able in happier circumstances—the super-commercial folk of Prussianized Germany.

We have heard much of the science of "dumping" and of its consequences to those to whom this pleasant process was applied. Until the recent withdrawal of the curtain there were many who refused to take this seriously at all. It is now clear that those who ignored this danger made light of one of the greatest perils with which the trade of Great Britain has ever been threatened. The South American field, moreover, was undoubtedly marked down as one of the chief scenes where the final acts of this grim commercial drama would have been worked out.

Germany, in short, was prepared to spend her last penny but one in undercutting the prices of her trade rivals and in thus annihilating their commerce. She reserved the last penny for that long-premeditated military attack which should give her full control of the mercantile world, and thus bring to her the practical monopoly of the various fields of the world's commerce, and not only this, but the ownership of the countries she had previously traded with as a foreigner. By this means all her outlay would have been returned to her a thousandfold.

After all, this blood-and-iron policy of Prussia ended in what was virtually nothing less than the greatest gamble in the world's history. It was a gamble in which the high officials of Potsdam played with cogged dice, but even then failed to make a certainty out of what was, in the light of subsequent events, a mere chance.

Having regard to the average Prussian mentality, it may safely be said that nothing less than vast issues of this kind would have induced the military party of Prussia to walk hand in hand with the representatives of the commercial world, whom, deep down in their hearts, they spurned with as deep a contempt as ever before. It was necessary to fuse all the ele-

ments, if only for the time being, in order to complete the commercial raiding which was to forestall, and assist, the conquest by arms.

The operation was a perfectly simple one. Realizing, with that curious mixture of shrewdness and common sense that the modern Prussian seems to add to his hare-brained and savage philosophy, that no nation of the present day could maintain its place by the side of its neighbours without the aid of commerce, the Kaiser, overcoming, as has been already said, the complete contempt of his class for anything connected with trade, made advances towards the leaders of the German commercial world, who, as flattered as they were amazed, lost no time in flinging themselves and their possessions into the arms of condescending royalty.

The consequence was that the leaders of German trade, enticed into this new and unexpected alliance, became as servile in their admiration of this astonishing Kaiser as any of his titled officials—as even those who literally staggered under the weight of the Orders which were showered upon them for services the nature of which, it has been said, was quite incomprehensible to the outer world.

One of the first results of this compact was that the German diplomatic service was given orders to assist in every possible way the advance of German trade; for by doing this they were adding to the store of shekels which was to provide the financial sinews for the day of the world conquest which was to come. The flow of State subsidies to commerce and shipping became a vast and swelling river, and it was by means of this that so many branches of foreign competitive trade were destroyed.

But it was clear that a policy of this sort could not endure for ever. A nation can succeed in rooting up the work of its neighbours; but an act such as this does not in itself suffice to support the aggressive

nation. The Germans were the very last to be deceived by the situation which they themselves had brought about.

It is true that the income of the Germans had become enormous; but, notwithstanding this, it is clear that the nation was living on its capital. The simplest sum in arithmetic will suffice to indicate this.

Let us suppose, for instance, that forty years ago, out of a shillingsworth of international trade with South America, the German share amounted to threepence, and that of Great Britain to ninepence—it will be observed that, sacrificing all to the interests of clarity, the respective amounts are not intrinsically convincing! We now arrive at the period when Germany, fired with ambition, begins the campaign which was to end in her complete triumph.

The first step was undoubtedly to increase her trade, *and to lose no time about it.* Now, in the affairs of commerce it is always possible to increase the mere volume of trade by paying for the increase—that is to say, by selling goods at rates that in themselves are unprofitable, or that may even show a loss. This is a crude fashion of explaining some very complicated processes; but, roughly speaking, this was the policy that Germany decided to adopt.

At the beginning of the campaign all things went as had been expected, and the increase in the trade of Germany was both marked and rapid. We may now pass on to the second stage. We will suppose that Germany has obtained her full half of the shillingsworth of South American trade. But she has paid threepence to secure it.

The result up to this point is this. Great Britain's trade has been damaged to the extent of threepence, and in this respect the incomes of the two competing countries are now equal. But this is only so far as the gross incomes are concerned. In actual fact, Great Britain receives sixpence, and Germany is in

the same position as she was as regards net income before she laid herself out to obtain control of her additional share of the trade. Her income has risen from threepence to sixpence gross, the rise having been effected by the outlay of threepence.

So much for the mere arithmetical side of the question. In the actual practical workings of the matter Germany's situation is far worse than it was before, since her expenses have augmented enormously, and her capital is being used up. The rest is largely a matter of time and pertinacity. Great Britain's trade and manufacturing power are being gradually but surely eaten away. On the other hand, it is clear that the German capital cannot bear the strain of the campaign for more than a certain time.

This was the situation evoked by Germany, and these were the problems with which she was faced for some twenty years before the outbreak of the war. Unless within a certain period she succeeded in utterly destroying British trade, and in recouping her losses by the increase of her commercial fields and by the enhanced prices which a practical monopoly would yield to her, she herself was bound to go under in the attempt.

Indeed, as I have already pointed out, the German commercial policy resembled the campaign of the U-boats. It was of a kind whose depredations cannot continue indefinitely. The sole hope lay in the expectation that their work of destruction would have accomplished the definite ruin of the enemy before their own span of life was brought to an end.

It is surely taking no unduly optimistic view of the case in supposing that the German species of commercial warfare will not be permitted to continue in the future as it was waged in the past. Indeed, were it to persist, it might be said that, so far as one of their chief aims was concerned, the Democratic Powers of the world had fought in vain. It is, in any

A RIVER PLATE FARM.

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case, extremely unlikely that, even were it permitted, the broken power of the Central Empires would be in a position to attempt its renewal for many years to come.

With the removal of the shadow of this destructive commerce, therefore, there should be renewed hope for the steady prosperity of British commerce in South America. Nevertheless, the possibility of circumstances such as these can in no sense whatever justify a slackening of effort—which would inevitably bring about that destruction which the combined militarist and commercial policy of Potsdam failed to achieve

CHAPTER III

SOUTH AMERICAN COMMERCE

Some old-fashioned ideas concerning commerce with South America—Policy of the Spanish regime—Cost of necessities and luxuries in South America from the earliest days of its colonization—Present conditions of supply and demand—Modern needs of the principal South American towns—The United States and South America—Influences of the war on the South Americans—The increase of initiative—Some laws attending the accumulation of wealth—Characteristics of some types of wealthy South Americans—Commercial distinctions between the northern and southern halves of the continent—Effects of the dislocation of commerce—Respective situations of the townsman and the food-producer.

In the commercial history of South America there has undoubtedly occurred a lengthy period when Europeans of all nations held that almost anything was good enough for the Southern continent. They acted, in consequence, on this theory in almost all commercial enterprises. The origin of this easygoing state of affairs, so far as Spanish South America was concerned, lay in the situation which arose after the War of Liberation at the beginning of the nineteenth century.

The Spanish colonial system, as a matter of fact, had accustomed the South American colonials to pay enormous prices for imported articles, the intrinsic value of which was comparatively insignificant. The history of these somewhat extraordinary transactions is by no means without interest. Spain, her own manufactures neglected in order to confine her energies to the exploiting of the wealth overseas, very soon found

herself obliged to purchase from Great Britain the articles required by her colonies. It may be accepted without question that the British manufacturer of those days made a far larger profit on his output than is the case in these more strenuous times. Thus, from the very outset of her dealings with her colonies, Spain, owing to her own policy, laboured under a grave disadvantage.

Having paid this profit, the Spanish merchant, possessing the clear monopoly of the South American trade, saw to it that his own proportion of the spoil was far greater. Finally, owing to the roundabout official method by which the goods were sent to the colonies, the cost of transport was very high. So it was that, by the time the South American received any object that he desired from Europe, he frequently had to pay as much as 1,000 per cent. for it above its cost price in Spain.

The conclusion of the War of Liberation did not affect the situation in any marked degree; the commercial views of the South American patriots were liberal in the extreme, but the risks run by both the foreign merchants and their goods were sufficient to add a large percentage to the original price of their wares. This state of affairs continued until the second half of the nineteenth century, when the first flush of a real prosperity began to dawn on a number of the Republics.

Even this did not alter the condition of affairs that obtained until then. From that time onwards until practically the end of the century the ever-increasing prosperity of the continent tended towards a somewhat reckless expenditure of money, and the circumstances now resembled in many respects those of South Africa in its palmiest and most extravagant days.

In the greater part of South America, however, these conditions no longer obtain at the present time. The average wealthy inhabitant of one of the progressive

Republics is still comparatively indifferent to the cost of an object that he desires. But he has learned much since the latter half of the nineteenth century. He is determined now to obtain full value for his money, and when the rapidly growing number of nations who are competing to serve him is taken into consideration, there is very little doubt that he is beginning thoroughly to succeed in this.

To make sure of success in South America, the circumstances of the large towns should be considered as more or less on a par with those of London, Paris, and New York. Too many of the British commercial folk have insisted on considering these places from afar as mere semi-barbaric settlements in the back-blocks.

This circumstance cannot be too strongly insisted upon; for the minor complications which such misunderstandings have led to would make a volume in themselves. We have not yet done, however, with the tastes and commercial demands of the South American.

It is only reasonable to suppose that in very few parts of the world will existence be continued in the same manner as it was led previous to the greatest struggle in the world's history. There is certainly no reason to consider that South America will form an exception to this inevitable rule. As it is, the influence of the war has already stamped itself clearly and indelibly on every Republic.

From the South American point of view one of the first consequences of the outbreak of hostilities was the sudden stoppage of the flow of financial and industrial supplies from Europe. In one sense it was as though the monetary supply had been cut off at the main, although, of course, the process was not quite so abrupt as that connected with the actual liquid.

The United States hastened to provide what assist-

ance she could in both these directions, but her own resources had by no means remained uninfluenced, and Latin America had perforce to become accustomed to a trickle of supplies where she before had enjoyed the benefit of a broad river. Although this, of course, had the primary result of seriously handicapping many industries, there is no doubt that, on the whole, the circumstance was of the greatest benefit to Latin America. To indulge once again in metaphor, the process resembled the sudden removal of those air-bladders that support the novice swimmer, thus leaving him to sink or swim, according to the determination of his own efforts.

The South Americans, in common with the rest of the world, learned to do without many luxuries which they had learned to regard in the light of necessities. The *nouveaux riches* among their ranks gave up producing Pommery and Cliquot as a second course at afternoon tea; the ladies have reconciled themselves to automobiles of a less sumptuous and glittering order, and even the stock-breeders curbed their desire to create new records in thousands of sovereigns for their imported pedigree bulls, sires, and rams.

As against the loss of these trimmings the lesson learned by the South Americans is an invaluable one that should produce its results for many generations to come. Thrown largely upon their own resources, the more progressive Republics have succeeded in doing for themselves many things which they would previously have relied on the Europeans and the North Americans to do for them.

The initiative of the average South American has thus been largely increased, not only in the planning and organization of his own affairs—in which he has always exhibited a marked genius of his own—but in the carrying out of that which he had planned. Thus, there is no doubt that the commercial world that is interested in South America will find a more

self-reliant community, or rather collection of communities, to deal with after the war than was its experience before that event.

Eventually, however, it is reasonable to suppose that there will be a return to a certain proportion of those luxuries into which the first openings of the gates of the continent's great wealth had tempted the South Americans. Whether these will be indulged in to the same pitch as was the case in the hey-day of the great wave of prosperity that occurred at the beginning of this century is extremely doubtful —in the Southern Republics, at all events; for there the influence of democracy was already beginning to make itself felt, and it is by no means improbable that the number of multi-millionaires will tend to decrease rather than to increase in the future, no matter how greatly the wealth of these various States may be augmented.

It is just possible for this reason that the tastes of the average South American may be modified, but at the same time it is unlikely that they will be fundamentally altered. There are certain laws which seem inseparable from the rapid accumulation of wealth. It is a cold and sober fact that old-time Australian miners have placed five-pound notes in sandwiches, and have swallowed the precious paper jointly with the financially valueless, but far more digestible, bread. The South American land or mine owner, who has become rich more or less overnight (an arctic night several times repeated !), has attempted nothing so crude as this. But a certain section of his company has laid down rules for itself which in their way are equally extravagant.

This particular South American son of Plutus has very marked views concerning the uses to which his wealth should be put. He makes a point of having an unlimited quantity of the best of everything, and he has no objection to sharing his enjoyment of it in

company with a very large audience. Many of his number are well-bred and exceedingly pleasant men. At the same time there is a certain proportion of these wealthy men who do actually continue to indulge in a degree of ostentation that a generation ago gave the average South American a quite unjustified reputation, more especially in Paris, where the type abounded and abounds. When one of these found himself on a trip to Europe, the ordinary *cabine de luxe* of the R.M.S.P. was not good enough for him, sumptuous though such suites are wont to be. It was no uncommon thing for him to have a couple of these knocked into one, and thus to possess a quite extensive marine flat for his voyage. When he had brought on board his cow, bullocks, and sheep for his private milk, beef, and mutton respectively, and his collection of fowls and birds as additional assets for the table, he felt himself in some measure prepared to withstand the hardships of the floating hotel.

It must be admitted that there were times when this extravagance had its ludicrous side. I myself have been present when cases of a vintage champagne that, locally, could not have been worth less than a couple of sovereigns a bottle were sent out to regale the members of a brass band who were cattle-slaughterers in their less musical hours !

Such instances could be multiplied almost indefinitely. Even so, the result would not necessarily prove that there was more ostentation in South America than in Europe, although it would certainly make it clear that the means of gratifying the more exuberant tastes in the Latin American continent have been infinitely greater than in the Old World.

I have enlarged upon this subject in order to demonstrate the necessity of studying the local tastes in the affairs of commerce with South America. In normal times the average South American throughout the continent is not looking for cheapness. He is in search

of the best, and there are some who will acutely resent being offered any other quality.

As regards his actual tastes, it may be taken that these vary according to the latitude—just in the same way as do so many conceptions of morality and other things. In the temperate south the conventions will be largely those of the leading centres of Europe, and clothes and all other human conveniences and luxuries will be correspondingly severe. Nearer the Equator, on the other hand, the laws of the tropics will assert themselves with their unfailing power, and brilliant colourings and a wider extravagance of expression in general will take the place of the other.

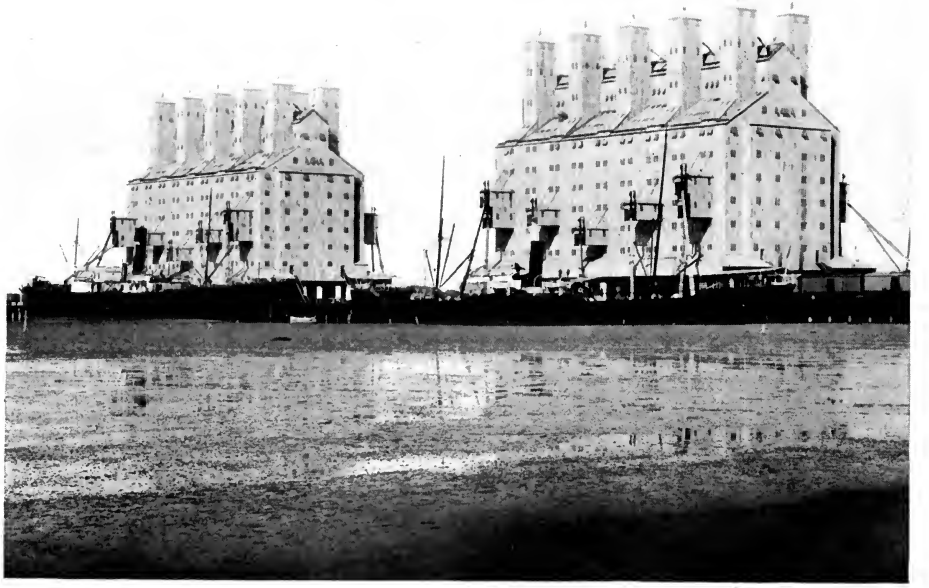
We may take a simple instance of this. The men of the smart world of the southern half of the continent are accustomed to be dressed according to the strict tenets of London ; the inhabitants of the hotter climes, generally speaking, will blossom out in colour schemes and patterns such as recall some of the remoter provincial fashions in Latin Europe.

It should be borne in mind, therefore, that it would be a serious error to offer the same type of an object which had many varieties to, say, Buenos Aires and to the city of Manaos, on the Amazon.

This, however, is to approach the subject of technicalities in too abrupt and early a fashion. Before entering into this province there are many generalities to be dealt with, and a few words further concerning the financial situation of some sections of the South Americans will not be out of place.

There is no doubt that, although many of these have suffered severely from the dislocation of commerce, and although all, without exception, have experienced the gravest inconvenience, the majority have not been brought to that abyss of ruin which they had anticipated with a grim certainty on the news of the great convulsion in 1914.

Indeed, as the war has followed its course, and as



GRAIN ELEVATORS: BAHIA BLANCA.

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the demands of Europe have increased, certain sections of the South American communities have undergone the same experiences as have some others in other parts of the world. This has certainly been the case with the producers of live-stock, cereals, and other objects of staple food. To their delight and amazement these found out, little by little, that the new and abnormal state of affairs was bringing about a new and abnormal demand, which, of course, had the effect of sending the prices of their products up to a most profitable standard.

Thus, at the present moment, it may be taken that all breeders and agriculturists whose lands are situated in those districts that have an easy access to the railroad and to the ocean have recently made money at a pace which has exceeded even that of any of the former booms in the days of peace. The business world of the cities, on the other hand, has small cause to congratulate itself on the altered condition of affairs, although, as I have explained, their lot has been by no means so evil as had been feared would be the case. Nevertheless, at the present time, so far as prosperity and the reverse are concerned, a distinct line may be drawn between the farming communities and those of townsmen.

CHAPTER IV

INTERNATIONAL RELATIONS

Gilbertian situation brought about in South America by the outbreak of war—German agents as canvassers for British goods—How this procedure is discouraged—The comparative efficiency of the Black List—High repute of the average British merchant in South America—The *palabra Inglesa*—Results of more than a century of testing—Some questions of sample and delivery—The commercial relations between the United States and South America—Some complaints on the part of the North Americans—Some mutual misunderstandings—An instance quoted concerning want of tact—United States trade—Situation of other countries—France and Belgium—The manufactures of South America—Reasons why these have not been more rapidly developed in the past—Questions of agriculture and population—Chief markets for British goods—The Madeira diving boys as experts in international industrial development.

THE war would seem to have brought about a situation in certain of the South American Republics that affects the rival commercial interests of Great Britain and Germany in a manner that is almost Gilbertian. Before the outbreak of the war it was the business of the German agents distributed throughout the continent to sell the manufactures of their countrymen, and to force the goods of other nationalities—more especially those of the British—from off the markets.

The situation at the time of writing is that the isolation of Germany no longer permits that nation to export her goods overseas. But the German agents in South America remain, and they have no mind to lose their customers and their mercantile connections. In order to maintain their position, therefore,

they find themselves constrained to buy the merchandise of other countries and to supply the needs of those who have been accustomed to purchase from them by means of these.

Needless to say that the source ot origin of practically the whole of these goods is one or other of the *Entente* countries. A considerable proportion of these, indeed, hail from Great Britain. We are thus confronted by the amazing spectacle of those who had sworn to destroy British commerce busily, but reluctantly, engaged in supporting it! But the anomaly does not end even here. For the reluctance of the German agents in South America to purchase British goods is only equalled by the British unwillingness to sell to them.

It is in order to prevent a commerce of this kind that a Black List has been instituted, which includes the names of German traders in South America, with whom it would be an unpatriotic act to enter into trade relations. This move has undoubtedly had the effect of preventing direct intercourse—and, indeed, there are very few firms, it is to be hoped, who in any circumstances would have cared to undertake this—but it seems very clear that it has not had the effect of preventing the goods from reaching those German agents whose intrigues it was intended to check.

The difficulties, of course, of accomplishing this effectually are very great. The British agent, for instance, will undoubtedly take every precaution in his power to ascertain that the goods he has for sale will be delivered only to trustworthy firms. But the history of these goods does not end at that point, and by the time they have passed through four or five hands, it is by no means improbable that they will be found in the possession of some person who has not the least objection to passing them on at a price to one of the German agents.

As a check upon these intrigues the Black List is

undoubtedly of service; but as a complete antidote to the machinations of hostile firms it is inevitably lacking somewhat in force. But the mere fact that the goods in question are British, and that the German agents, in order to continue their commercial existence, are forced to "push" the goods of the utterly detested islanders, is a circumstance by no means without its own species of humorous consolation.

A circumstance which comprises a genuine asset to the British manufacturers and merchants who are concerned with the Latin American trade is the high repute in which the character of the average British merchant is held in the southern continent.

Palabra Inglesa is, after all, not an empty compliment. The word of an Englishman has been accepted as his bond from the very first period of South American independence.

It is a matter of no small congratulation that this should have held good until the present day. This is in one sense all the more curious and the more satisfactory since there have been periods when several centres of South America were popularly looked upon as the refuges of defaulting and law-breaking British subjects, who had sought a haven in places where they were more or less secure from the annoying attentions of their own Governments!

There is no doubt that there has been no small exaggeration in the popular tales that were current towards the end of the last century concerning the character of many of the British residents in the large towns of the Latin continent. At the same time, it is not to be denied that there were a considerable number who sought the hospitality of such towns as Buenos Aires, Rio de Janeiro, and similar great centres, with the idea rather of starting a new life than of continuing the old, which, as a matter of fact, had contained some interludes disastrous to themselves.

Even so, these immigrants of dubious commercial

morality would very seldom seem to have taken advantage of the opportunities for sharp practice which they undoubtedly enjoyed, at a time when the Latin communities were far less versed in the seamy side of commerce than is the case to-day.

It is possible that, finding themselves in a land which abounded in opportunities for making money fairly, the temptation to continue their illicit practices no longer appealed to these gentry—which theory, at all events, affords a satisfactory testimonial on the whole to the underlying worth of humanity—when untempted!

However this may be, the fact remains that the reputation of an Englishman, I think it may fairly be said, stands as high to-day, after more than a century of testing, as it did when he first began to open up relations with the independent South Americans. This has been especially noticeable in such matters as those of samples and of the delivery in bulk. The South Americans speak bitterly enough (and there is not the faintest doubt that they have sufficient cause) of the morality of the commercial representatives of various nations in this respect. But, except perhaps in some utterly isolated instances, complaints of this kind are pleasantly absent in the case of British commercial men. Indeed, I have had it remarked to me before now by South Americans themselves, that in the case of the deliveries of such material as ships, steam-engines, machinery, and the like, the actual quality of the work performed frequently exceeded that laid down by the specifications.

It is probably unwise to lay too great a stress on points such as these, for in every nation there is bound to be a number of easy-conscienced people who are only too willing to take advantage of a situation such as this and to make an easy and unfair profit at the expense of their countrymen's reputation—for instance, such as that achieved by a British Member of Parlia-

ment many years ago, who gave a continental hotel-keeper a "stumer" cheque, and thus smirched the brilliant reputation of the British Member of Parliament's financial integrity throughout the length and breadth of the continent.

If I refer at this point to some peculiarities which have been recently evident in the relations between the South Americans and one or two small sections of the United States business community, it is most emphatically not with the idea of drawing comparisons in this respect between the British and the North Americans with a view to an unfavourable exhibition of the methods of the latter. On the contrary, the general integrity of the North American commercial world is such that its own people can afford, as they have in this particular instance, to rise up and publicly denounce some evils which have recently manifested themselves in certain quarters.

If I lay stress on the following points, it is merely from a certain natural gratification on finding that, after all, we are not the only people whose home-made critics find cause for complaint.

Considerable attention has been drawn in the American Press to the methods employed by the United States manufacturers in their efforts to advance the commerce of North America in the Southern continent. There is no doubt that the opportunities which have occurred since the outbreak of the European War have been unique. For all that, all has not gone so smoothly as might have been expected. A number of errors of judgment would seem to have been shown, and in two or three quarters the Southerners have accused the Northerners of attempts to overreach them. For instance, there has been more than one complaint concerning the quality of the delivery as compared with that of the sample shown.

Whether there be any truth or not in any of such allegations I am perfectly unable to judge. It is quite

possible that the affair has arisen largely owing to a mutual failure of understanding. I have had occasion to point out before now that the North American is very widely separated as regards temperament from the South American. It is true that the two races have much in common in the way of democracy. In the practical and familiar aspects of life, however, there is no doubt that much still remains to be done. As it is, the misunderstandings between the representatives of the two great sections of the Americas would seem to occur with considerable frequency.

The British are seldom given the credit for the display of much tact in their relations with the people of other countries. On this point, therefore, it is possible to speak with a sympathetic fellow-feeling—although we have made ourselves understood in South America more successfully than in many other parts of the world. As regards the North and the South Americans, in any case, there is no doubt that a certain lack of tact has made itself evident in the relations between the two.

The South American has his own views concerning his own importance—and, after all, the average inhabitant of the Southern continent is by no means without his justification for holding them. This the travelled North American understands perfectly. But the number of Americans who have not a past experience of South America is considerable! And a certain number of these are rather inclined to treat the inhabitants of the advanced Republics much as they would the natives of the wildest districts of that now wild country, Mexico.

Now the South American, if the fancy takes him, can be quick enough on the uptake; but he is very seldom in the mood for what is colloquially known as "snap." He has a marked hobby for retaining his dignity, even at those periods, such as his continent knows frequently enough, when the dollars are flying

in flocks through the air, waiting for some one with a quick eye and a sure aim to bring them down and home.

There is, in short, no continent in the world where politeness is so much appreciated as in South America, and it may safely be said that there is no other where abruptness of manner and speech—even when no actual discourtesy is intended—is more strenuously resented.

The *South American Journal* of May 12, 1917, has a very instructive paragraph under this head. It tells the story of an American who had almost completed the sale of a large quantity of oil-heaters to the Argentine Government for its railway passenger coaches, and who was disagreeably surprised at the sudden cancellation of the order:

"Inquiry discovered the reason to be that months before the railroad had desired to purchase a quantity of oil for its locomotives. A Government purchasing agent called upon the local representative of a large American oil corporation to arrange for it. He was told to call back at a certain hour the following day. He did so, and for forty minutes kicked his heels in an outer office. Then an under-clerk came out and said, 'The boss says it will be no use for you to see him, as he has no oil to sell on credit.' 'Hopping mad,' as the journalist graphically describes it, the Federal employee returned to his chief and told him of the incident. The story spread. Other officials took up the feud. As the corporation in question was seeking tariff favours from the Government, its refusal to give credit was called 'yanqui bluff,' a phrase used for North American methods to distinguish them from 'palabra Inglesa' (the word of an Englishman). Incidentally, that single act of discourtesy—not of refusing credit, but the crude way in which it was done—has cost the oil corporation millions of dollars.

"In the case of the oil-stoves for the railway coaches, when the Argentines accidentally learned that the oil

PLAZA CONSTITUCION, MONTEVIDEO.

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company was indirectly interested in the sale, they at once cancelled the order. Defect in manners is always the defect in fine perceptions, and the resulting issues are frequently far-reaching and expensive."

The North Americans, as a matter of fact, are by no means alone in experiences such as these. Many a British manufacturer has paid in a similar fashion for some such act of abruptness—although it has not always followed that he has ever become aware of the cause that lost him much profitable business in the Southern continent.

In connection with this, it may be remarked that to those who have interested themselves in South America it comes as somewhat a surprise to read the numerous articles which appear from time to time in the Press and in the technical journals of the United States bewailing the comparatively small progress which the writers of these allege to have been made by the North Americans in recent years. So far as the Northern half of the continent is concerned, statistics would seem to imply that these are largely cries of "Wolf!" In the Southern Republics it is true that there may be more grounds for the discontent; but even there it is certain that the North American, coming into the field with his vast stores of dollars, manufactures, and enterprise, has progressed at a far greater speed than did any of his European rivals when they first began seriously to cultivate the markets of South America.

In view of the situation which has obtained during the past quarter of a century, nothing less was to be expected, and, save where some of the latest trust operations are concerned, there is no need for any panic to arise on this head on the part of the British investors and manufacturers concerned—not that the faults of the past British policy in general as regards South America have been concerned with such things as panic; very much on the contrary, in fact!

In any case, during the period between the outbreak of the Great War and the time of the active intervention on the part of the United States the North American trade had naturally made great strides in Latin America, as, indeed, could scarcely fail to be the case when it is considered that the land of the Stars and Stripes was the only great political and commercial Power at that time that was able to extend its industries in an unhampered fashion.

The North American exports for the years 1915 and 1916 afford a striking proof of this. Whereas in 1915 the shipments of United States goods to South America totalled a little under £30,000,000, the corresponding figures for 1917 had risen to £44,000,000, an increase of some 50 per cent. This advance, of course, has been made at the expense of all the chief European combatant Powers but chiefly at that of the German trade, which, so far as the shipment of goods is concerned, has become to all intents and purposes extinct.

The entry of the United States into the war of course put an end to this state of affairs, and at the conclusion of hostilities North America, although her position will undoubtedly have been strengthened in comparison with that of the rest, will find herself in a somewhat similar situation to that of the others in respect to the South American trade.

It will be remarked that in practically all the articles which were wont to be exported from Europe to South America there has been a marked decrease since the outbreak of war. Nothing else was to be expected, as a matter of fact, and, indeed, it was plain to all that nothing else could have occurred. The respective situations of the various European countries involved are by no means without interest.

Excluding the Teutonic Powers, probably the two which show the most sensational results are Belgium and France. The trade of Belgium with South America,

and more especially with Argentina, had attained to very important proportions at the time of the commencement of hostilities. In addition to their imports and to the share they had taken in the various gigantic enterprises of the Southern continent, the large Belgian firms had specialized in the banking and mortgage business, and the amount of Belgian capital involved in these branches of commerce is very important.

Although this latter remains comparatively unaffected, the tale is a very different one as regards the goods which Belgium was wont to ship to Latin America. These have for the time being suffered a complete wipe-out, and the lamentable political situation of the unfortunate kingdom is thus reflected in the commercial eclipse which is her unhappy temporary lot.

Although the situation in this respect of Belgium is unique in Europe, the position of France as regards her exports to South America has been sufficiently precarious during the past three years. Statistics show plainly that her supplies to many of the South American Republics now represent a very small proportion of what she was wont to ship before the outbreak of hostilities. France, as a matter of fact, would seem the greatest sufferer apart from Belgium, and although the United States manufacturers have taken for themselves a considerable proportion of what was once British trade, there is no doubt that in this respect France has lost far more.

Thus the general situation between the five countries which were largely concerned with the trade of South America—Belgium, Germany, France, Great Britain, and the United States—is, that while Belgium and Germany have lost all, France is unfortunate only by comparison with these others. Great Britain, on the other hand, it may be stated with frankness and not without self-congratulation, has not dropped down to the low-water mark of her exports which not alone the pessimists seemed to have sufficient

reason to anticipate. Finally, the United States does not seem to have added as much to her volume of trade as was expected. This, however, is, of course, accounted for by the fact that during the years she remained a neutral her financial situation was in many respects adversely influenced by the industrial chaos of Europe.

As to the local industries, it must be said that the manufactures of South America have up to the present time remained, comparatively speaking, in an almost entirely undeveloped condition. Many of those who have not had the opportunity of surveying the industrial circumstances on the spot for themselves are inclined to suppose that this is largely owing to the lack of enterprise of the South Americans. It is true that in a few of the less progressive Republics this is the case up to a certain point; but in the generality of the South American countries any explanation of the kind would be rendering very scant justice to their inhabitants.

As a matter of fact, the lack of South American manufactures is due, in the main, to entirely natural causes. One of the principal of these is the scarcity of the inhabitants of the Southern continent. It is no more feasible to make a manufacturing nation out of a great stretch of pastoral and agricultural land than it is to create a race of pastoralists from an area given up to dense population, crowded centres, and where the smoke of the factories is derived from cheap and abundant coal.

Indeed, there can be no doubt whatever that, were South America to devote itself to manufactures instead of to the industries with which its inhabitants are at present concerned, the loss to the continent would be very great. Even as it is, there is certain evidence of the transformation, which must become more marked and more rapid as time goes on.

Thus the aspect of the rich lands of the Republics

of the South has already begun to change in many districts. The enormous estancias and haciendas—estates that frequently covered many scores of leagues—have now become comparatively rare. Even among the richest landowners of these Southern Republics there are very few left who can gallop for league after league across their broad pastures, divided at great intervals by the fence-lines, where the tens of thousands of their cattle graze.

The agriculturist has come upon the scene to break up these vast solitudes, and with his advent the aspect of the country has changed. Wheat, maize, alfalfa, and all the other cereals rise where before was nothing but the unbroken pastureland. Where this occurs, too, the territory is no longer spoken of in leagues. Its more valuable areas are estimated in hectareas, and upon them the huts of the agriculturists rise at intervals sufficiently close to shock the old-time cattle kings, who were wont to experience a certain sense of grievance if they could discern a roof that belonged to some one else but themselves, even if it only dared to raise its intruding structure on the far horizon.

In short, that which was impossible a century ago and more, the increase of population has rendered practicable to-day. In the ordinary course of events the same progress must be carried a step farther, when the first regular manufacturing towns must take the place now occupied by some of the agricultural land. But to attempt to hasten a process such as this would not only be impossible from the practical point of view, but could not fail to bring about disastrous influences on that species of progress which has already been made on natural lines.

The best markets for British goods in the past have undoubtedly been Argentina, Brazil, Chile, Peru, and, to a lesser extent, Uruguay. Speaking very roughly, it may be said that the main energy and wealth of the continent have been concentrated in these

Republics, which, as a result, have yielded most handsome returns for the labour expended on them. It is, indeed, probable that more fortunes have been made in these countries—or, perhaps, to be more accurate, it should be said a larger proportion of fortunes—than in any other part of the world during the last twenty years.

By no means bad judges of these particular conditions of affairs are the diving boys at Madeira. At the first glimpse it may seem a little puzzling, to say the least of it, to realize in what way these swarthy lads, who dive into the pellucid waters after silver coins, are concerned with the fluctuations of the financial fortunes of the various quarters of the world. The Madeira diving boys, however, ply their trade at a spot which may well be termed the Clapham Junction of the ocean. They are in a position, therefore, to test in a manner vital to themselves the prosperity or the reverse of the various communities with the travelling members of which they are brought into contact.

Twenty-five years ago, should a Castle liner and an R.M.S.P. have happened to drop anchor in Funchal Bay at the same time, it was certainly towards the red funnels of the African ship that the diving boys' boats would scurry first of all, leaving the yellow smoke-stack of the South American vessels to be visited at their leisure, when the harvest from the full pockets of the South Africans should have been gleaned.

With the turn of the century this was no longer the case, and it has been towards the yellow funnels that the animated flotilla has hastened ever since, postponing in its turn the slenderer African diving remuneration. And the Madeira boy, although he is no financier in the wider sense of the word, is a sufficiently accurate judge of the spots and the ships where the sources of wealth lie!

So far as South America is concerned, there is no reason to suppose that the immediate future will bring any alteration in the respective financial and industrial importance of the various Republics. At the same time, the advance in the conditions of the States which are at present the most backward must necessarily be more rapid than in those where so much in the way of progress has already been effected. With which truism we may conclude this chapter.

CHAPTER V

COMMUNICATIONS

The practical aspects of South America as a commercial field—Main commercial divisions—The areas of the north and south—Brazil as a field for British enterprise—Favourable prospects offered—Development of British commerce in Central Brazil—The difference between Brazil and Spanish-speaking Latin America—Questions of language—Respective influences of customs—Cost of articles in Brazil—Tastes of the various sections of the Brazilians—The northern and southern areas of the great Republic—Distinctions in their humanity, nature, and climate—Their importance as mercantile fields—Advantages and disadvantages of Northern Brazil—Inconveniences and dangers of the "back-blocks"—The perils of climate—Present industrial situation of the Amazon regions—The difficulties of Para rubber—The competition of the east—Possibilities of the fertile Amazon soil—Trade in the north—The mercantile situation of the south of Brazil—Wealth of the populous provinces—Demands of the modern large towns—Railway service in the south.

In considering the practical aspects of South America as a commercial field, it will be best first of all to attempt a general survey of the continent from both the commercial and industrial points of view before entering into the details of each Republic.

For this purpose the continent may be divided into three main sections. These comprise, roughly, Brazil, the northern half of Spanish South America, and the southern half of Spanish South America.

So far as Spanish South America—by which, of course, I imply Spanish-speaking South America—is concerned, some explanation of this necessarily arbitrary division is essential. For the purpose we have in view the northern half should comprise Vene-

zuela, Colombia, Ecuador, and Bolivia. The southern area should include Peru (although in the case of this Republic it is necessary in this instance to ignore its actual geographical situation), Chile, Argentina, Paraguay, and Uruguay.

Judged from the strictly commercial point of view, one of the chief differences between these two sets of countries is that the southern half—financially by far the most important, of course—comprises the advanced Republics. At least three of their number have undergone very important commercial and political developments, and both travel and trade are comparatively easy within their frontiers. The other Republics are undoubtedly lands of large intrinsic wealth and of great promise; but their commercial and economic development are still to a very large extent matters of the future.

Of the three main sections we may deal with Brazil first. This gigantic and wealthy Republic undoubtedly affords one of the richest commercial fields in South America. It is impossible as yet for any one to realize the full wealth of the Brazils, and even the Brazilians themselves can only surmise vaguely concerning those enormous sources of wealth the surface of so many of which has only just been scratched, while it is, humanly speaking, certain that there are many dozens of others, the very existence of which is not even suspected.

As regards the general relations between the two countries, Brazil constitutes a peculiarly favourable field for British enterprise. From the very inception of their separate entity as a nation, the Brazilians have shown themselves amicably disposed towards Great Britain. There is substantial reason for this, for the traditional friendship between Great Britain and Portugal would seem to have been extended to the one-time colony of the ancient Iberian nation. Great Britain's political share, moreover, in the establish-

ment of the separate State of Brazil was very far from being an unimportant one, and the relations between the two nations at this period were unusually close, the British, for instance, assisting enthusiastically in the commercial opening up of a land the interests of which had previously been somewhat neglected by the mother country.

It was in Central Brazil that British commerce in South America first began to develop in a really important fashion, for the official opening of the ports of Brazil took place while Spanish South America was still composed of the colonies of Spain, in which trade with the outer world, if not still completely forbidden, was, at all events, strongly discouraged.

In the minds of many of those who have not travelled in South America, little distinction is made between the circumstances of Brazil and those of Spanish America. It is necessary that this misconception should be removed with as little delay as possible. So far as language, habits, and customs are concerned, there is no more resemblance between Brazil and the countries of Spanish South America than there is between Spain and Portugal. It is true that a Portuguese will be able to understand the gist of any Spanish sentences spoken carefully to him; but, owing to the more complicated Portuguese pronunciation, the Spaniard finds himself unable to reciprocate in this respect—somewhat to the annoyance of the other, who is given to accuse the man of Castilian speech of affectation in the matter.

He, therefore, who has obtained at no little trouble to himself a smattering of Spanish, with the idea of travelling in South America, need not expect any particular linguistic triumphs on landing in Brazil, even if the disembarkation be only an incident on his voyage on the way out to the Spanish-speaking countries of the continent.

Moreover, the circumstances which have influenced

and still influence, the Brazilian nation are of a somewhat different type from those others which have been concerned with the moulding of the chief Republics of Spanish South America. Thus, the connection between Portugal and Brazil has remained far closer and more intimate than that which obtains at the present moment between Spain and the Republics which once were her colonies. It is true that the Brazilian appreciates to the full the attractions and charm of Paris, as, indeed, what Latin does not! But at the same time he continues a close intercourse with Portugal, makes a point of visiting Lisbon, and many of the numerous Portuguese inhabitants of the younger land of the tropics will look forward to ending their days among the vines and olives of their native land, the Minho district being the chosen one for these returned folk to settle down in.

At the same time, the influence of the French is at least as perceptible in Brazil as in any of the former Spanish American colonies. This is evident in philosophy, politics, literature, and to a certain extent in commerce as well. It seems to me that all influences of this kind should be noted by those who desire to enter into commercial relations with the people on whom they work.

The average Brazilian, like the Portuguese, bears a good character as a commercial man, and, with the few inevitable exceptions, his character for uprightness is undoubtedly deserved. This chapter is not intended to include any of the actual details of commerce; but it may as well be explained here at the outset that the Brazilian protective tariffs are very high, and that, as in so many of the nations of Spanish South America, the cost of articles to the Brazilian at home is in many cases at least double that which prevails in England, and is frequently, indeed, very considerably in excess even of this.

Brazil, generally speaking, is a land of brilliant

colour, and the tastes of the great majority of its inhabitants are in accordance with this. The average Brazilian, indeed, has no objection to the showier species of articles, and his tastes run very much in the same lines as some of the splendid and most highly decorated buildings of Rio de Janeiro.

As regards the poorer classes, an index of this temperament may be gathered from a sight of his trunks in the steerage of a liner plying between the various Brazilian ports. The ornamentation on these—occasionally pictorial—is apt to be of an ingenuous exuberance such as outrivals even the luggage of the newly arrived immigrant from the country districts of Portugal.

In clothes and in similar matters it is true that the wealthier class of Brazilians now follow the strict London fashions, so far as the men are concerned, and the latest Parisian modes in the case of the women. But outside this particular province there is sufficient scope for originality even among the educated classes. In the matter of furniture and jewellery, and other such objects, for instance, the somewhat elaborate inclinations of many of these Brazilians must render it necessary for British manufacturers to step aside from their usual grooves in order to provide the special type of object which is required here.

As a matter of fact, it is out of the question to attempt to deal with the vast territory of Brazil as a single unit among the commercial fields of South America. As regards the industrial situation and commercial requirements the great Republic must be divided into two sections. The first of these is the southern territory, comprising the area from Bahia to the Uruguayan frontier—that is to say, to the southernmost limits of the country. The second is the northern section, including the great basin of the Amazon, with its enormous stretches of inland waters, on the banks of which stand the numerous

ON THE ARGENTINE-TRANSANDINE RAILWAY

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towns built upon the areas of land which have been reclaimed at the expense of much labour from the all-pervading forest. Beyond these richly watered districts there are, of course, the tropical agricultural districts, such as those of which the town of Pernambuco forms an outlet, where flourish the sugar-cane, coco-nut, and all the rest of the agricultural wealth of these fertile lands.

The future of both of these sections of the great Republic of Brazil cannot well fail to be brilliant from the commercial point of view. So far as the exporter in Europe and in the United States is concerned, they are of special interest, if on no other account than that of the enormous amount of customers and custom that they contain. As it is, the population is increasing and the needs of the community are expanding at the same time. Nevertheless, up to the present time the importance of the native manufactures has remained extremely slight.

As mercantile fields, therefore, for European and North American goods they are of the greatest importance. The area of these markets, moreover, tends continually to increase as the remoter territories are opened up. As things are going at the present time, every year marks a distinct advance in this. The situation in many respects has become strengthened even during the interval between the outbreak of the war and the present day. Indeed, in view of what has been achieved in the most disadvantageous circumstances that have recently prevailed, there would seem little doubt that the situation half a dozen years hence of the commercial world of Brazil must in the main show some surprisingly successful results.

Taking these areas separately, we may first of all deal with the northern section of Brazil. In many respects the scope offered here is far less extensive than that of the southern half of the Republic. Many vast tracts still remain entirely unexplored. With

the exception of such places as Pernambuco and Pará, few large towns exist, and in many districts the distances which separate the various centres of civilization are inconveniently great.

The Amazons themselves in many ways afford an ideal country for the trader—that is to say, providing that he makes up his mind to endure the disadvantages of the local illnesses and to brave the possibility of yellow fever. For there is no ointment without its fly, and in the case of the Amazons the fly has been a threatening and frequently fatal thing—the Stygomya, that grim species of mosquito that carries the yellow fever. The influence of the Stygomya has been enormous, and its fatal history has had a world-wide reputation. This insect, together with the germs of other tropical diseases, has stood in the way of the rapid development of the very wealthy forest regions of Northern Brazil.

The scientific methods undertaken by the Brazilian Government promise to make life more uncomfortable for the Stygomya than has ever been the experience of that pest in the history of its existence. There is no doubt, in short, that the disease is in process of being wiped out. In spite of this, it would be useless to try to make light of the climatic evils of the Amazon district. The remaining fevers and diseases in general should certainly not be omitted from the calculations of one who is contemplating travelling in these districts. Then, when the situation is once plainly realized, the aspirant for a post in the great river district of the north may, or may not, accept the risk of all these illnesses as a set-off against the commercial opportunities of the place, which may be taken as very considerable indeed.

There is no doubt that many of those who sail out fresh from home to such places as these are frequently given to take the climate very much for granted, and the surprise that is apt to await them, should they

happen to arrive at their destination in the course of an unusually severe outbreak of tropical disease, is anything but a pleasant one. The ordinary traveller may frequently witness a minor tragedy of the kind, even should he not land at the infected port. The tales that are brought off from shore in such cases are always sufficiently lurid (although not necessarily in the least exaggerated), and this species of welcome is liable to be startling, to say the least of it.

The advantages, on the other hand, which the Amazons offer to the experienced and "salted" trader are enormous. Once on board his small river craft, he has a vast field before him, while even if he confines himself to the main steamer routes he will have opportunities for striking a very great number of small but profitable markets, which as yet have scarcely been tapped at all by the travelling Britisher. But none save the most experienced should ever dream of attempting such things.

In any case, whichever means of transport he prefers, the traveller is enabled to journey for tens of thousands of miles along the convenient waterways from point to point. The rule holds good in the Amazon streams, as elsewhere, that the greater the enterprise the greater the profit. For in the "back-blocks" the prices of all kinds of merchandise rule amazingly high, and thus those traders who have the resolution to take their small craft to the headwaters of many of the tributaries—or at all events in the upper reaches—are apt to acquire competencies with an unusual rapidity. Nevertheless, there are undoubtedly many of their number who would tell you that this rapid financial success was in reality dearly earned. In this respect, too, it should be said that just at the present moment the Amazon territory does not offer the prospects that it did some years ago.

It is certain that traders such as these of the Amazon have to abandon many objects which elsewhere are

looked upon, not as luxuries, but as the ordinary necessities of life. Fresh meat is almost unobtainable; butter is so rare that every one of its yellow flakes is a jewel of price; and even such crude edible stores as are obtainable are at the mercy of the hordes of voracious insects that wait with tireless eagerness upon practically every yard of the way.

Indeed, it must be accepted as a fact that the experiences of an Amazon trader justify such financial results as are to be derived from the life he is forced to lead. In view of the hardships of the travelling and the enormous distances to be covered, it is not to be wondered at that the dwellers on the remoter reaches of the great network of streams find that the cost of their implements, food, and clothing has mounted up to two or three times as much as would be charged for them in Pará, at the mouth of the river—a spot which is by no means famed for the cheapness of its goods. But all this, as has been explained, is unavoidable, owing to the time and labour involved in the transport along the enormous ramifications. Indeed, along the main stream itself it is occasionally necessary to bring goods to points some two thousand miles from where the yellow-brown waters flow into the Atlantic Ocean.

In the eyes of the majority of people the future of the Amazon regions does not appear so promising as was the case some years ago. The cause of these pessimistic views is the competition in rubber production which Asia is now enabled to bring to bear. Now that the finest species of Para has been transplanted to the East, where it is thriving, it is not to be denied that a factor has arisen which has already upset many of the calculations of the Amazon rubber interests.

It is true that those who were financially interested in these consoled themselves for many years with the theory that the finest species of Para rubber would

RAILWAY ENTERPRISE IN PERU. 15,865 FEET ABOVE SEA-LEVEL.

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never consent to establish themselves permanently in any other but their native soil. The upholders of the claims of the wild rubber of the Amazons were wont to predict with great confidence that the conditions under which their own product flourished could be reproduced in practically no other territory in the world. The periodical floodings of the low-lying river-land were, they maintained, a salient cause of the excellence of the Amazon rubber. The absence of this, they urged, in the Asiatic plantations would sooner or later be felt, with the result that the Eastern rubber would degenerate in its elastic properties and would, in fact, lose greatly in value from want of strength.

I do not know if these predictions have been justified in a minor degree in some parts of the East into which the Brazilian seed has been introduced. If so, it must be admitted that any symptoms of the kind have been kept remarkably dark! Indeed, judging from all appearances, it would seem as though the Amazon rubber districts must now make up their mind to maintain a fight against a competition in which they are in many respects unfavourably placed, and which is bound to affect the prices of rubber adversely.

Nevertheless, it is not likely that this circumstance alone will continue to exercise a depressing effect on the Amazon regions. There are many of the inhabitants of these territories who for many years past have complained that the undue proportion of attention claimed by the rubber industry had thrown into the shade the more general cultivation of growths which, they allege, can be made to produce even more profitable returns than the rubber industry. It is perfectly true that the influence of rubber gathering on the other industries of the Amazon districts has been most unfavourable. Many of the areas, for instance, which before the days of the rubber "boom"

had been devoted to general agriculture have from want of attention gone back to an entirely wild and overgrown condition.

It is by no means unlikely, indeed, when the extreme fertility of the Amazon soil is taken into consideration, that a wider range of occupations and products will in the end prove even more profitable to the Amazon dwellers than the sole industry of rubber gathering. At the present time things on the Amazon are not what they were half a dozen years ago. Whatever the future may have in store for these great territories, therefore, there would seem no need for too much anxiety on the part of the Amazon trader and of the merchant in Pará who supplies him—to say nothing of the British manufacturer from whom the goods may originally emanate. It seems to me that the demand for these goods will be fully maintained when the normal conditions of existence are once again renewed throughout the world.

As a matter of fact, the number of British traders on the Amazon is at the present moment so completely insignificant as to present some notable opportunities to men who are accustomed to this particular class of work. But it is emphatically not an occupation of the kind to be jumped at by any one who has had no previous experience of the tropics in general and of Brazil in particular.

The southern part of Brazil is, in the main, of an entirely different physical nature from the north. It is true that the Sertão, the great inland plateau, presents similar features for almost the entire length of Brazil. But there is certainly nothing in the south to correspond with the gigantic Amazon basin—for even the upper reaches of the Uruguay have very little in common with this; and it is equally certain that there are no districts in the north that from a pastoral and agricultural point of view can compare with the temperate provinces of Parana, Santa Catha-

rina, and Rio Grande do Sul, where it is possible to breed pedigree cattle, and where the ordinary cereals of Europe thrive.

As a matter of fact, the division which I have endeavoured to draw is quite arbitrary from a geographical point of view, and, indeed, in order to fit in more accurately with the commercial situation, the southern half should be made to extend along the coast to as far north as the point where the continent juts out to its easternmost extremity. By this means it would be made to contain the very important town of Pernambuco, which should by rights be included within the southern category.

For this latter section contains all the towns of chief importance in the great Republic. We are now concerned with large urban populations, as well as with elevated plateaux and some great areas of rolling forests. The principal towns here, proceeding from the north to the south, are Pernambuco, Bahia, Rio de Janeiro, Santos, and São Paulo. All these five centres constitute markets of the very first order of importance. In fact, it would not be easy to find five wealthier towns of their size anywhere else in the world.

In all of these it may be taken for granted that a strong demand exists, not only for the ordinary necessities of European and North American life, but for numerous and expensive luxuries as well. So far as imported goods are concerned, it may be said that whatever is required in London, Paris, and New York will find its market in Rio and São Paulo, and this holds good to a rather lesser degree in Santos, Bahia, and Pernambuco. The industrial and commercial progress, moreover, of all these centres is now proceeding at a great rate, and it is not too much to say that their true development is only now in the act of beginning.

There are at least a score more of really important

cities in this southern section, some details of which are given elsewhere in the volume. As regards travel, the facilities of the southern portions are extraordinarily widespread compared with those of the north. It is true that the railway system at the back of the port of Bahia does not yet give it land communication with any of the important remote centres, and the same may be said of Pernambuco. But Rio, São Paulo, and Santos are all three linked together by the railway ramifications, which now include many other towns of importance. Indeed, these centres now form part of a great network of rails which already provides communication with all the Republics of the south of South America, and which is increasing its ramifications with a rapidity which promises to leave very few important areas unserved in the quite near future.

CHAPTER VI

SOME CHARACTERISTICS OF THE FIELD

Spanish-speaking South America—Methods of communication compared between the northern and southern areas—Influence of the Panama Canal—Communications of the interior—Some hints to the traveller—Wide scope of the modern railways—Admirably managed lines—Some questions concerning hotels—The lesser-known lands—Their situation and possibilities—The keenness of international competition in the southern Republics—Differences in the demand between the populous and remote regions.

As regards the commercial divisions of Spanish-speaking South America, it is necessary to proceed on lines similar to those employed in the case of Brazil. Here we are faced by a similar situation to that which obtains in Brazil. It is necessary, that is to say, to parcel off the territories into two divisions. The physical differences, however, between the northern and southern halves are in some respects less marked than in the case of Brazil; for in Spanish-speaking South America, although Bolivia, Peru, Ecuador, and Colombia all possess some of the headwaters of the Amazon tributaries, there is no great outstanding physical feature such as that of the Amazon basin proper to distinguish the one half from the other.

The railway facilities, on the other hand, are far more considerable in Northern Spanish America than in Northern Brazil, where the nature of the Amazon basin is in so many parts of a kind that absolutely forbids extensive railway enterprise, as distinguished, of course, from light lines laid down for local needs.

The solid, though mountainous, soil of Bolivia, Colombia, and Venezuela has already been covered by a certain number of railway systems, and as soon as the opportunity arises there is no doubt that this enterprise will be seriously extended.

At the same time it is not to be denied that the commercial and industrial situation of the northern half of Spanish-speaking South America cannot yet in any way approach that of the south. It possesses many towns of historical and commercial importance, but not a single one that either in the matter of modern enterprise or as regards size of population can approach any one of the principal centres of the south. There is no doubt, however, that the effects of the Panama Canal will before very long make themselves evident in the Republics of Venezuela, Colombia, and Ecuador, the principal benefits, of course, being about to be reaped by those countries possessing a Pacific coastal line.

Indeed, had it not been for the outbreak of the European War, it is perfectly clear that these results of the new steamship route must have made themselves felt in a very compelling fashion long before now. The new possibilities of direct steamer communication between the Atlantic ports of Venezuela and the Pacific ports of Colombia and Ecuador must alone tend to an increase in the prosperity and size of these maritime cities. In any case, the end of half a dozen years of peace will have much to show in this respect.

So far as the interior communications are concerned, the conditions of these northern territories still leave a good deal to be desired, even by one well acquainted with the peculiarities of the countries, and far more to be desired by one who is endeavouring to travel as a stranger. It is in this respect that the want of the great natural water highways, such as those of the Amazon, is most felt. Once away from the by no means extensive railway systems that serve these

northern Republics, the traveller will find it necessary to be satisfied with a slow, but not always unexciting, species of progress on muleback, and he will find himself completely dependent on such guides as he may have the good or bad fortune to pick up. Indeed, it is precisely this lack of transport facilities which in the past has kept these mountainous and rugged countries in a somewhat backward condition, and it is highly unlikely that this will be altered until the railways have been sufficiently extended to open up many of the rich but remote districts.

Speaking generally, indeed, none but one who is fairly intimately acquainted both with the Spanish tongue and with the ways of travel and life in the more primitive parts of South America need be advised to forsake the railway systems of the north in favour of a more independent and daring form of travel. Generally speaking, however, the field here offers at least as profitable possibilities as that of Northern Brazil, and he who is enabled to conduct himself without the embarrassing aid of others is undoubtedly in a position to reap a sufficiently rich harvest.

As regards the ordinary traveller who is visiting the continent for the first time, it is the southern Spanish-speaking Republics that clearly offer the greatest advantages; for this is not only the field where the most important populations (with the exception of those of Southern Brazil) are to be met with, but in addition to this, it is the one which possesses infinitely the most intricate and far-reaching railway systems. These are explained in more detail elsewhere in this book, so it may suffice for the moment to explain that every town of first-class importance in every one of these southern Republics is linked up by rail with the other urban centres of its own State as well as with the principal cities of the neighbouring countries.

In these Spanish-speaking countries the railway links are now complete between the capitals of Argen-

tina, Chile, Uruguay, and Paraguay, while Lima, the capital of Peru, is now attaining to very nearly as favourable a position as the rest. The vast enterprise which has brought this state of affairs into being is, as I have said, more fully entered into elsewhere, and need not be referred to here. The industry, moreover, is only more or less at the beginning of its real and full development, even now. Let it suffice, therefore, to say that the traveller may visit every spot of commercial importance in these southern countries with a minimum of inconvenience and discomfort.

Indeed, so far as the actual travelling is concerned, there are few systems in the entire world where the trains are more comfortably run and managed than in those of the British-owned South American railways. As a general rule, the sleeping and dining arrangements are excellent, and a two days' journey on an international line in these areas is frequently far less tiring than a much shorter distance on a less well appointed train.

Naturally, this same standard permeates the affairs of life in the majority of the districts of the progressive Republics of the south. The hotels in the chief cities have undergone vast improvements of late years, and the latest specimens of these establishments are conducted in a fashion that would have made the not very remote forefathers of many of those who use them blink with incredulous amazement.

Needless to say, however, this latter state of affairs only applies to such important towns as Buenos Aires, Rosario, Valparaiso, Montevideo, Bahia Blanca, to say nothing of pleasure resorts such as Mar del Plata and other places of the kind. But it would be easy to tabulate over a score of these others, the importance of which only falls slightly behind that of those whose names I have given.

But even in these southern Republics there are areas where the full flood of modern civilization has not

yet penetrated. In the Chaco district in the north of Argentina and in the west of Paraguay the country is only just now being explored in many places, and until a few years ago the tribes of Indians who had their homes in these curious wooded and swampy plains were inclined to be actively hostile towards all white men. But, apart from notorious regions such as these, there are many other neighbourhoods where the more or less rural customs of a former age still survive to a certain extent. These are to be met with throughout the southern Republics, and the sole geographical direction that can be given to one who is anxious to find, or even to avoid, them, is that they are very seldom to be met with in the near neighbourhood of any of the railway lines!

At the present moment there are more of these remote areas to be met with in Paraguay than in any other of the southern countries, notwithstanding the efforts made to develop in their own interests many parts of the inland Republic by a large number of German merchants who have settled themselves down in the place during recent years.

But this backward condition of affairs is probably not destined to last long in Paraguay. The railway has now put in its appearance upon the scene to link up the Paraguayan capital, Asuncion, with the other cities of importance in the southern part of the continent; and with the spread of the rails through Paraguay itself the inevitable revolution in industrial and commercial ethics is proceeding apace—a species of revolution, by the way, about which remarkably little is heard as a general rule, but which, in actual fact, has played a far more important part in the destinies of South America than those other revolutions which from time to time occupy the attention of politicians and the Press.

As is only to be expected in a field such as the one to which we are now referring, the elements of compe-

tition are far more keen in countries such as Argentina, Chile, and Uruguay than are those in the Republics in the North. It is true that there is not the same evidence of "hustle," even in these sections of South America, as is to be met with in the United States of the North. Nevertheless, it has been made plain to most of those who have recently travelled the countries of the South for the purposes of business that the opportunities of striking an uncontested bargain are growing beautifully and rapidly fewer. Indeed, how could it be otherwise in those places where much wealth abounds, and where frequent trains are moving to bring to the spot the agents not only of Great Britain, but of France, Italy, the United States, Germany, Belgium, and of all the other competing countries as well?

It seems to me that it is above all things necessary for the British manufacturer or merchant to realize this, and to bear in mind that, whereas in Buenos Aires the buyer of goods is given to treat an offer of sale with that studied coolness that is a feature of all big markets, the buyer in the remote wilds of Bolivia will receive with not a little enthusiasm such goods as the traveller who has wandered so far from the beaten track may choose to offer him.

At the same time, it is no easier to generalize in these southern districts of the continent than is the case elsewhere; for the extent of the country involved is, after all, more or less the equivalent in size of Europe, and the variations, in consequence, are very great—the climatic differences, for instance, between tropical Paraguay and the snowy sheep-breeding country of Patagonia being almost as wide as the distance between the poles! It is not necessary, however, to go into more details of this kind at the present stage; for it will be essential to enlarge upon many of these points at a later stage of this book.

CHAPTER VII

THE TENDENCY OF ENTERPRISE

Some characteristics of the South Americans—Enterprise of the present generation—Some typical methods of business—Northern and southern commercial peculiarities contrasted—Methods of advertising—Tastes of the South American—Phenomena accompanying the rise of new lands—Weaknesses of the *nouveaux riches*—How to make ruins—Some instances of European ignorance of South America—Misconceptions concerning southern life and travel—Some necessary elements of commerce—Travelling by rail—Characteristics of some of the inhabitants of the remote districts—The cosmopolitan communities of the large towns—Enterprise shown by the various nationalities.

HAVING attempted to point out a view of the commercial possibilities in some of the main areas of South America, we may now deal with some of the characteristics of the South Americans themselves. In this respect it is more easy to generalize concerning humanity than concerning nature. There are, at all events, certain characteristics which are typical of the Latin American stock throughout the continent.

This holds good, moreover, equally in the case of the Spanish-speaking peoples and the Brazilians, although, needless to say, it does not apply to the inhabitants of those districts that are to all intents and purposes Indian. Manners and customs in the commercial world have their limitations. Far less originality enters into the process of buying and selling than into such more poignant ceremonies as attend births, marriages, and deaths. There is a certain freemasonry among traders, too, that leads them to

understand each other, so far as their own particular businesses are concerned, with a rapidity that can scarcely ever be rivalled in any other walk of life.

This chapter, having these circumstances in view, is an attempt to hold out a few brief and practical hints concerning negotiations in the Southern continent. Needless to say, they are intended only for those who have not yet met the Latin-American upon his own ground, and who, therefore, have not had the advantage of any personal communication with him.

The present generation in the progressive Republics of South America can truthfully lay claim to as much enterprise as is evident in any other part of the average world. In these countries, such habits of procrastination as still linger scarcely affect the business world at all. Nevertheless, the man who sets out from Great Britain with the idea of conducting business or any other affairs in South America may take it for granted that the time occupied by the journey will assuredly be longer than he had anticipated. If a man who is devoid of any previous knowledge of the Southern continent should calculate that a proposed trip will take about three months, he had better allow at least four and a half for the purpose.

It frequently happens that affairs of the first magnitude are carried through with a rapidity that would astonish the more humdrum business worlds of Europe. But if the South American, as a buyer, does not see eye to eye with a would-be seller, he will be in no hurry to make up his mind one way or the other. Many of the older-fashioned people, moreover, even when they have arrived at an adverse decision, will refrain from communicating it directly to the applicant, and will leave him to gather their refusal from the passivity of their attitude. Those acquainted with the methods of this section of the community take the hint as a matter of course ; but a new-comer is apt to imagine ground for hope from the absence of a

definite refusal and lose much valuable time in consequence.

The true South American, even of the modern type, is fond of approaching the business he has in hand with a certain amount of ceremony, and not a few preliminary canters in the way of general conversation and courtesies. He has no desire to be hustled out of his special methods. There was a boldly printed card which was fairly popular fifteen years or so ago, and which two or three editor friends of mine hung with no little pride on the walls of their offices. This bore the legend : " You can say it all in three minutes ! " Even in Fleet Street it seemed to me that there were no callers who attempted to justify this dogmatic assertion, and in South America it may safely be asserted that any attempt to put the abrupt theory into practice would end in disaster to him who made it.

Undoubtedly one of the best introductions to a business conversation is a friendly chat and a five minutes' talk about generalities. This, after all, is a very small concession to the courtesies of the Southern continent. Of course, there are many sturdy and direct people who, with an admirable contempt for the lengthier forms, refuse to enter into any such details, and insist upon coming to the point at once. Then it is quite possible that, like the man who blazes away at a partridge before it has risen clear of the scrub, they may miss it !

In considering openings for trade in South America it should never be forgotten that the average inhabitant of that continent is extremely ready to adopt any ideas, whether of mere novelty or of amusement, that happen to suit his taste. It may safely be said that in all enterprise of the kind towns such as Buenos Aires are not to be surpassed by any other centre of the world.

This has been made clear enough by the methods of advertising. Some very striking instances of this

could be cited during the years which preceded the outbreak of war. In another place I have alluded to the procession of donkeys which was made to parade the streets of Buenos Aires, each of which bore upon a saddle canopy an inscription which ran to the effect that he was an ass—because he did not smoke So-and-so's cigarettes!

An advertising feat which was of a different order, but which in its own way was on a par with this, was the manner in which a certain popular illustrated magazine was got up for delivery to the public. Folded so that it would stand upright, it was made to represent the face of a noted high official, and the addition of a circle of cardboard made a most efficient and convincing rim for the straw hat that was depicted on the head of the celebrity. The sensation caused by the appearance of this particular number of this magazine was great, and there is no doubt that this single *coup* was worth months of ordinary advertising.

I have drawn attention to these two episodes merely to show the enterprise which is to be looked for in many of the really important centres of South America. It was this same spirit which popularized the motor-car at a comparatively early stage of its existence, and it is this which will undoubtedly make the Southern continent a most valuable market for the aeroplane, when the time for its civil and commercial development shall have arrived.

This condition of affairs, needless to say, applies with at least equal force to the gramophone. The gramophone is rapidly attaining to a great popularity throughout South America. The most sought after reproductions in the great majority of the districts are those of the light opera variety, and for these and for the latest popular tunes in general there is a great demand.

While on this topic, a passing reference may be made to the cinematograph, which, as in all Latin countries,

has now obtained a great hold on the publics of the various Republics. Those interested in cinema production would do well to note this; for, when the comparative scarcity of the legitimate theatre in the Southern continent is taken into consideration, the opportunities for picture palaces offered by Buenos Aires alone cannot fall very much below those which occur in London itself.

The cinema, as a matter of fact, is introduced in the great capital of Argentina into spots where it is not usually to be met with elsewhere, and such establishments as restaurants and similar buildings frequently provide this form of entertainment as an extra attraction.

It is clear to those who have watched the development of South America that the population of many Republics are showing many of the symptoms of the United States. I am referring, of course, to those symptoms which are demonstrated in the various demands of the communities.

There are more things in common between the Northern and Southern continents than are evident on the surface. As is the case in the North, South America can boast of much old European blood. But, in common with the North, it has also a large proportion of that fortunate class of folk that are popularly known as *nouveaux riches*. These latter have frequently been accused of a quite disingenuous affection for antiques and for similar objects. However this may be, and whatever may be the motives which cause these full-pursed people to become patrons of art, it is certain that a fashion set this way is by no means without its influence on the salerooms that are accustomed to receive the more ambitious art collections.

Now, there is no doubt that a similar tendency has arisen among certain sections of the communities of one or two of the South American States. There is a defined demand now for curiosities in ancient books that deal with South America, and, of course, a far

wider market for old and valuable furniture. Pictures do not seem to me to have yet attracted as much general attention as might have been expected, and the number of paintings that have any real right to be included in the category of Old Masters is probably infinitesimal. So far as I have been able to observe, moreover, the craze for armour and ancient weapons of war has left the average Latin American completely cold.

Nevertheless, there is a somewhat eccentric instance to be met with in one of the Southern Republics of an interest in mediæval matters. This was provided by an important landed proprietor who was anxious to have his territory provided with something more picturesque and suggestive than the ordinary farm buildings proper to the place. He had a fancy for a ruined castle. He actually obtained one, but in a unique fashion. First of all he caused a large building of masonry to be erected. Having achieved this, he obtained large quantities of explosives—and blew up the affair. The result was that he was provided with a home-made ruined castle!

Apart from such crude attempts as these—which in some way or other have been rivalled in all "new" countries—the demand for antiques and curiosities has made quite notable strides of late years, and this factor is one which may well be reckoned on in the future commercial relations with the advanced Republics of the South. Needless to say, I am not referring, as regards this, to those States of the Centre and North, the economic circumstances of which have not permitted the cultivation of such tastes.

As this book is naturally intended in the first place for those who are not familiar from personal experience with South American affairs, it will be as well to attempt a few hints for the benefit of those who intend to travel in that continent with a view to forwarding their own, and therefore British, commercial interests. There is

naturally a certain reluctance to enter upon a voyage to a continent such as South America, about which so very little is known in Europe. Indeed, the ignorance which still prevails in so many parts is productive of frequent errors, which tend to both optimistic and pessimistic views as regards the comfort and experience of the traveller.

There are some, for instance, who still cling to the belief that South America bears a more or less strong resemblance to a British colony, and that with the aid of nothing beyond the English language and a stout heart they may proceed to and fro throughout the continent without experiencing much inconvenience. There are those, on the other hand, who insist on viewing everything connected with the Latin continent with a certain gloomy romance, and who picture such cities as Buenos Aires, Rio de Janeiro, and Santiago as peopled by more or less naked savages.

Even apart from these two extremes, the number of misconceptions concerning South American life and travel are numerous. In many other places I have insisted upon the necessity, or at all events the strong desirability, of a knowledge of Spanish for forwarding the interests of any ambassador of commerce in the Southern continent, but it is clear that, as things are, the average firm that is keen to open up commercial relations with the Latin Americans cannot invariably wait until it has secured some one conversant with the South American language to represent its interests in South America. In such a case the traveller must do the best with such materials as are to his hand. In this instance, his need is clearly an interpreter, and one is to be obtained with very little trouble, although it must be confessed that the capabilities of these interpreters are extraordinarily varied.

In the large towns, of course, the task of the commercial traveller or agent new to the country is by comparison easy. In such cosmopolitan centres as

Buenos Aires, Rio, and Santiago, business will be practically as simple to conduct as in London, Paris, or New York. He may almost certainly expect a distinct lack of punctuality in keeping any appointment made; but curiously enough, this Spanish trait, which is continued in the Latin American, does not in his case seem to have interfered in the very least with the spirit of energy and enterprise, which in the Latin continent thrives side by side with the famous old Spanish legacy!

It may be said that in the case of these great centres the population is so cosmopolitan that the representative of a really large firm may do business of the first importance without having recourse to the Spanish-speaking element at all. Indeed, as regards these large cities, an energetic commercial man may with comparative security trust himself almost without further notice in any of them; but the most profitable "deals" are not to be effected in these crowded centres, where the competition has already begun to be acute.

The most remunerative transactions are now carried out in the lesser towns and in the interior of the continent, where the commercial soil is still, by comparison, virgin, and where the results still cause amazement even to the hardened commercial traveller who has been accustomed to the more hackneyed and deeply trodden fields. There is no doubt, indeed, that some of the most promising areas are those which have not yet been reached by railway. But, as has already been said, such as these are not for the man who goes out to the Latin continent unprepared so far as his own personality is concerned, and therefore is obliged to depend upon an intermediary for his negotiations.

Indeed, in many places which are served by railway one such as this will find his difficulties sufficiently great. Railway lines upon the map look imposing, and in actual fact they constitute a force of progress of incalculable value, but even in railways there are

lines and lines, and the importance of these varies as much as that of the places they serve.

There are metals, for instance, to be met with frequently enough upon which passenger trains run only two or three times a week, and where the advent of one of these trains is a matter of as much moment as the arrival of a liner at some lonely port. A man unused to the country, therefore, stranded at one of these out-of-the-way spots, need expect no elaborate accommodation in the way of hotels, and if he obtains a room to himself in some humble *fonda*, he may think himself fortunate. He will, in fact, have to live just as the inhabitants of these remote spots live, which, while invaluable in the light of experience, is by no means necessarily a matter of comfort to one who has not been accustomed to stray far from the beaten tracks.

The inhabitants of these out-of-the-way places, too, although their merits are many, have not as a general rule the knack of understanding or making themselves understood, as is the case in foreign lands such as France. The majority of the lower orders are given to regard a foreigner with something of that contempt which is popularly supposed to be the birthright of the Englishman, and although they will in all probability be tolerant and even polite, they are not disposed to go far out of their way to assist some "gringo" with not sufficient education to understand a word they say!

It may be safely assumed, therefore, that the best place for the beginner is the area of the large and cosmopolitan cities, and that the "back-blocks" must be left for those who have gained experience and are able to profit by what they have gained.

In the large cities, such as Buenos Aires and the rest, there are distinct communities of the various nationalities to be met with. Each of these is more or less self-contained. Thus, each will possess its

own church, its own Press, clubs, and, to a large extent, its own hotels. So far as Argentina is concerned, it is rather curious, as a matter of fact, that although the relations of each of these bodies are very closely interwoven with the Argentines, they are not nearly so intimate with each other. In a spot such as Buenos Aires, it must be admitted that there is very little to try the cosmopolitan experience of the average Britisher. He may go to a hotel that is owned, servanted, and patronized exclusively by his own countrymen. In the morning he will be supplied with an English newspaper—or more than one, if he desires; in the course of his daily business, moreover, he may go to his British bank, visit as many British firms as he desires, and lunch at a British club. In fact, he may conduct himself very much as though he were still on the soil of his native land. He may even visit the suburbs, which are essentially British, where the villas are inhabited by his countrymen, and where he may play tennis, cricket, or golf to his heart's content. But it must be remembered that such a spot as this is not truly speaking South America. Once away from it, the abrupt change in the atmosphere is sufficient to disconcert one who is not familiar with the ways of the continent.

There would seem every prospect now that British trade will undergo a genuine awakening at the conclusion of the war. If so, we may once again hope to attain to some of the full mercantile glories of the past.

There are very few books published at the beginning of the nineteenth century concerning South America which do not reflect the enthusiasm for trade with the Southern continent and the enterprise which the British of those days were wont to show.

These sentiments creep even into volumes which are professedly concerned with the phases of the War of Liberation, and other subjects which in themselves have no connection whatever with commerce. Thus

John Miller, in his *Memoirs of General Miller*, published in 1829, relates that—

"The aboriginal inhabitants of Peru are gradually beginning to experience the benefit which has been conferred upon them by the repeal of ancient oppressive laws. In the districts that produce gold, their exertions will be redoubled, for they now work for themselves. They can obtain this precious metal by merely scratching the earth, and, although the collection of each individual may be small, the aggregate quantity thus obtained will be far from inconsiderable. As the aborigines attain comparative wealth, they will acquire a taste for the minor comforts of life. The consumption of European manufactures will be increased to an incalculable degree, and the effect upon the general commerce of the world will be sensibly perceived. It is for the first and most active manufacturing country in Christendom to take a proper advantage of the opening thus afforded. Already, in those countries, British manufactures employ double the tonnage, and perhaps exceed twenty times the value, of the importations from all other foreign nations put together. The wines and tasteful bagatelles of France and the flour and household furniture of the United States will bear no comparison in value to the cottons of Manchester, the linens of Glasgow, the broadcloths of Leeds, or the hardware of Birmingham. All this is proved by the great proportion of precious metals sent to England, as compared with the remittances to other nations. The very watches sent by Messrs. Roskell and Co., of Liverpool, would outbalance the exports of some of the *nations* which trade to South America."

CHAPTER VIII

THE WORKINGS OF BRITISH CAPITAL

British capital invested in South America—The chief industries which it has served to found—Some circumstances concerning dividends—An example of real profit and artificial losses—Disadvantages under which railways laboured in the old days—Revolution and industry—The association between South American politics and the interests of British shareholders—Labour problems of South America—Political views on the question of labour—Problems of the present day—Change in the status of South American politicians—The democratic atmosphere of the South—Temptations of a popular government—Tendencies of the currents of sympathy—Views of certain sections concerning British railway companies—An Argentine deputy's speech quoted—Problems concerning the remuneration which the British companies are entitled to—Views of Bartolomé Mitre in 1861—The great Argentine quoted—His testimonial to the beneficent works of British capital.

We may now pay some attention to the interests of those who are not directly concerned in the trade and commerce of South America, but who have invested capital in the great British companies which have these particular objects in view.

The chief industries of the kind in which British capital is invested are railways, tramways, steamship lines, banking and similar corporations, land companies, harbour works, general municipal and power services, and numerous minor undertakings of the kind. In the course of the history of these there have been numerous periods of financial and industrial depression; for the vicissitudes of the most favourably placed country would not seem fated to be continu-

ously bright! The four or five years which preceded the outbreak of the European War must be ranked among the lean ones of the greater part of South America.

On the whole, nevertheless, it may safely be said that the average industrial investment in South America has proved sound, and has led to the prosperity of the investors. In alluding to this matter I am not taking into consideration those concerns the shares of which have been driven up either by speculation or mere optimism to a price far in excess of their intrinsic value, and which, in consequence, had to descend at some time or other to their proper level, much to the chagrin of those who happened to have purchased them when in their inflated state.

A condition of affairs such as this, it is clear, may well enough arise even in connection with an enterprise which in itself is flourishing. Thus, supposing a land company were paying an interest of 20 per cent. on the par value of its shares, the original proprietors could scarcely fail to consider themselves fortunate. But suppose, further, that this successful working drove up the shares of the company some 400 per cent., and that very shortly afterwards the profits of the concern fell to 10 per cent. In the ordinary course of events the inflated value of the stock would sink to half, and, in consequence, those who had invested at the highest point would lose half of the capital they had put into the venture. Their point of view would naturally differ very widely from that of the original shareholders who had retained their stock. While the former would have lost half their capital, that of the latter would have been doubled, or, at all events, they would be obtaining 10 per cent. for their investment.

All this, of course, is fringing perilously near to the borderland of sheer platitude. But it is clear that the respective opinions of the two investors con-

cerning the same industry and the same company that was assisting to work it would differ very widely indeed. What would represent reasonable success to the one would mean crass failure to the other. Needless to say, it is this condition of affairs which has led to so many contradictory reports concerning the various South American industries in which the British companies have interested themselves.

At the same time, it would be ridiculous to attempt to assert that all has been milk and honey—to say nothing of beer and skittles—with these enterprises. It is true that the great majority of these have been ably managed; but at the same time it has been impossible to escape from the influence of the vicissitudes of the countries in which the various companies have had their working headquarters.

Thus, in what it is now permissible to refer to as the "old days," railways were very much at the mercy of either of the combatant parties in the case of a revolution. Not only were trains and running stock in general commandeered frequently enough by the party which happened to be in possession of the district through which the railway ran, but before now sleepers and even telegraph-posts have been torn up and employed for firewood in those districts where timber happened to be unobtainable by other means.

It was by no means only railways, however, which were wont to suffer from depredations of the kind. Land companies and private haciendas and estancias underwent very similar experiences; for in their case the saddle-horses were commandeered as mounts for the cavalry, and, beyond this, the stockmen were impressed in order to sit upon the commandeered horses, and, in fact, were metamorphosed by a lightning-change process into cavalrymen by the leaders of whichever army it might be that was on the spot!

In the progressive Republics of the Southern continent revolutions no longer form part and parcel of the

national everyday policy. In fact, they are occurrences as rare as elsewhere in the world. On the other hand, as elsewhere in the world, a fresh set of benefits and of troubles has come to take the place of the old. As is the case, too, elsewhere, the latest serious form of unrest, apart from actual warfare, has taken the form of labour disputes. As a weapon of social warfare the strike has flourished in the South American atmosphere to an unusual degree. Some of the chief sufferers on the side of capital from this condition have been the British-owned railways.

Thus it is that the association between the various internal political situations of South America and the interests of the shareholders in the great British enterprises in that continent is closer than is popularly imagined. I have already endeavoured to make it clear that the South American social conditions and the demands of labour in the South have now begun to alter the aspects of life in the Latin American world almost as completely as is the case in Europe and in the United States. Indeed, to compare the industrial situation in South America of twenty years ago with that which prevails to-day is to discover a somewhat surprising state of affairs.

It may certainly be said that a quarter of a century ago there was no such thing in the Latin continent as a Labour problem. The Gaucho, the guassu, and the llanero carried out their various pastoral occupations with a comparative indifference to the financial results to themselves which belongs to a past age. There is no doubt that sentiment at this period played a far greater part in the community than it does at the present moment, and the cattlemen and the shepherds, providing that they had an affection for their *patron*, had no other desire but to remain on his estate and to lead the lives which suited them best—that is to say, to occupy themselves in bursts of strenuous work, varied by lengthy intervals of repose in

which the sound of the guitar might be counted on to be heard regularly.

It was a patriarchal existence, and it appeared to suit both employer and immployee, so far as it went; but the enormous influx of immigrants and the more intricate labour conditions which came in their train had the effect of altering all this. The almost incredible has happened in that in Argentina and Uruguay, at all events, strikes have occurred on the land itself. Apart from all else, this is not a little remarkable, when the difficulty of labour organization upon sparsely populated land is taken into consideration. In the main, however, the new condition of affairs affects the landed proprietors less than the shareholders in industrial concerns such as railways, water transport, and manufactures in general.

The British-owned railways have more than once suffered a very serious crisis on account of the strikes which have been brought about by their cosmopolitan employees. There is no doubt, moreover, that so far as the railways of the progressive Republics, such as Argentina and Uruguay, are concerned, the difficulties in this respect will, instead of decreasing, tend steadily to grow more serious.

In cases such as this, the situation of the board of directors is by no means an enviable one. Occasionally a railway company obtains the full sympathy of the government of the country; but this is by no means always to be relied upon. It is probably inevitable that the spectacle of these finely managed and prosperous concerns, foreign-owned as they are, has the effect of impressing the local authorities with the idea that their financial stability is such that may safely be tested to a point considerably in excess of the local-owned enterprises. With every intention of being quite fair, therefore, it must be admitted that the various governments have before now shown themselves by no means averse to "milk" these

railways. Moreover, faced as they are by the increasing difficulties caused by a dissatisfied labour community, it is perhaps not unnatural that these authorities should take the more popular part of the defenders of labour against the alleged encroachments of capital upon its rights. We thus frequently find the South American governments addicted to a legislation which is alleged to show an undue bias in favour of the workers.

The average South American government, moreover, has no hesitation whatever in intervening in such disputes, and this with a decision and energy that is almost unknown in older countries. Thus it is no uncommon thing, when a strike has broken out, on account perhaps of the dismissal of a couple of employees, for the authorities to issue a command that the men should be reinstated. From the point of view of the South American government there is no doubt that this affords a most simple solution; for it is in their interest that the strike should cease. But a procedure of this sort cannot fail in the end to weaken the position towards the labour market of the railway companies, to such an extent, indeed, as to jeopardize their very existence.

Doubtless before many years are over some solution of these various problems will be found in South America. It is, indeed, essential that this should be so—just as it is clear that the labour markets of Europe cannot return to more tranquil conditions until something of this kind is accomplished.

Curiously enough, some of the most advanced of the South American Republics are experiencing a change of governing bodies which corresponds almost exactly to that to which we are becoming accustomed in Great Britain. The change in the aspect of political affairs began somewhat later in South America, since it is only within the last three or four years that the difference in the nature of the governing bodies has been

definitely marked. Until that time the senators and deputies of Argentina, for instance, were drawn from the landowning class, and from those wealthy lawyers and professional men who, together with the great owners of land, stood for the descendants of the old colonial families.

This condition of affairs would undoubtedly have lasted considerably longer than has proved the case, had it not been for the great influx of immigrants from Barcelona, and many of the Italian centres in which the revolutionary spirit is most powerful. It cost these many years of labour and many gigantic efforts in propaganda before they obtained a sufficient number of adherents to make the success of their cause possible. Nevertheless, they have succeeded at length, and the government of Argentina is now of the kind which is prepared to champion the cause of labour against that of capital—by which I do not intend to imply for one moment that there need necessarily be any unfairness in the matter.

Indeed, it would be unfair in the extreme to suppose that a popular government would knowingly sacrifice its sense of right and wrong in order to create a situation which would increase its popularity among its constituents. For all that, it is sufficiently clear that a young and untried popular government, however incorruptible its members may be, is always tempted to act from the heart rather than from the head, and to give its sympathies and prejudices an amount of free rein which is not always compatible with the exercise of strict justice.

The small Republic of Uruguay devoted itself to social experiments of this kind some time before they were attempted in Argentina, with the result that from time to time the pendulum of affairs in the *Banda Oriental* has swung from the one extreme to the other. There would seem no reasonable doubt, however, that in such intelligent and practical countries as those of

the River Plate a fair and reasonable mean will be found in the long run.

In the meantime, with the current of sympathy as it is, the British railway companies, it must be admitted, have on more than one occasion had just cause to complain of a want of sympathy in the treatment meted out to enterprises which are honestly and well conducted. The attitude is not universal, and it certainly is not adopted by the average well-educated inhabitant of the Rio de la Plata. There is, nevertheless, a section of the population who would seem embittered against these great enterprises, and who, whenever the occasion arises, are prepared to urge extreme measures in Congress and elsewhere. Their argument, needless to say, is to the effect that the British-owned railways are accustomed to exploit the country to an undue extent for their own benefit, and, in short, that the Argentine public is robbed in order to put money into the pockets of the British shareholder, who himself cares nothing for the interests of South America so long as it provides him with sufficient return for his investment.

A glance at the quotations of stocks and shares will show that the profit of the shareholders in the British railway companies is, in good times, only what might reasonably be expected, and that in bad times the capital might with considerable financial advantage be invested elsewhere. Moreover, but for the extraordinarily able management which is a feature of so many of the companies, it would be a certainty that in almost innumerable instances where a dividend has been declared the result of the railway workings would have showed an actual loss.

As regards the case which has been imagined against these railways, it will be not without interest to quote a free translation of a speech made in the Argentine Chamber of Deputies on July 18, 1917, by Señor Zaccagnini, in support of a Minute asking the Govern-

ment to produce an antecedent relative to the increase in freight rates announced by the railway companies. The speaker may be regarded as an advocate of extreme views against the interests of the railways. I quote the following from the *South American Journal* of September 15, 1917:

"The Executive Power has made repeated announcements to the country that it has resolved to inaugurate a new railway policy. This statement, I understand, has been made by one of the Ministers to the members of the Public Works Committee (of the Chamber of Deputies), and the announcement has been confirmed by the President of the Republic in his Message. The railway companies, without waiting for the ratification of the intentions outlined in that document, have desired to reply forthwith to this part of the governmental programme by announcing that, as from December 15th next, they will increase their tariffs by 22 per cent., the only exceptions to the increase being those referred to in Articles 183, 284, 285, 289, and 364 of the General Railway Regulations. These exceptions are of small importance, referring as they do to payments of increased storage rates after the expiry of the period within which packages should be withdrawn, demurrage on wagons loading, demurrage on goods not unloaded within stipulated time-limits, and also demurrage exacted from users of special trains for cargo. The decision arrived at by the companies affects, therefore, all goods, parcels, and passenger freights, with the insignificant exceptions to which I have just referred. Let us now consider the importance of the measures with which the country is threatened. During the last six years the National Railways have given the following results as regards gross revenue: 1911, $116,782,267 gold; 1912, $132,059,613; 1913, $140,113,204; 1914, $115,107,179; 1915, $125,032,595; 1916, $129,515,055; total, $758,509,913. Their annual average takings thus have been

$127,434,986 gold, or say, $287,388,741 in national paper currency. Should the intentions of the companies materialize, the average increase upon existing tariffs would be $63,224,084 paper. But if we take into account the prospects of the good harvest already announced for the year in course, we may base our calculations upon the year 1913, when railway revenues amounted to 140 millions (gold), and when approximately 43 million tons of goods were carried, so that the increase for next year would be about 70 millions (paper). It seems to me that it is enough to enunciate the fact in order to appreciate it at its full importance. Production and consumption would be called upon to bear the weight of this enormous amount. The railway companies, I have said, have confined themselves to notifying the Executive Power that as from December 15th next the new rates will come into operation. They have not this time, as on other occasions, given any prior notice, nor have they applied for the corresponding permission. The studies effected by the technical offices of the Ministry of Public Works have, so far as the railway companies are concerned, proved to be absolutely superfluous. They have contented themselves with communicating the accomplished fact. This is because they have believed that after the discussion which took place in this Chamber in 1915, following the investigation carried out by the late Government—they have believed, I say, that freight rates can be increased whenever profits fall short of the percentage fixed by Law 5,315 (Art. 9), in terms of the regulations referring thereto. The railway companies have understood, therefore, that tacitly Congress and the national Government had definitely accepted the criterion which they upheld, leaving no room for further discussion. In the year 1915, in upholding the increase in their freight rates, they invoked, amongst other causes, their disagreement with the judicial findings, which had, according to them,

given an erroneous interpretation to Art. 8 of the Mitré Law, and with the vote by which Congress sanctioned the pension law—a matter not yet definitely resolved. This time the companies, rendered wise by past experience and recalling the protests that were raised then, refrain from giving any serious motive for the increase. They make no reference, for example, to the new policy announced by the Government, nor do they mention the project of law of the Committee on Railway Legislation, which has been accorded a preferential place on the list of questions to be submitted to this Chamber. They limit themselves only to referring to their financial situation. They consider their position with an absolute disregard of the conditions which not only this country, but the whole world, is experiencing to-day.

"The Chamber, in my opinion, ought to intervene rapidly and resolutely in this matter. Last time the intervention of Congress came somewhat late. The debate—without doubt an interesting one—proved to be completely sterile from the moment that the Executive Power itself arranged the matter with the companies. Now we have time to reflect and to study the point, and the Executive Power can also decide upon it after detailed and completed study.

"If the Executive Power is disposed to inaugurate its new railway policy, the opportunity could not be more propitious. A programme of railway policy, clearly and implicitly enunciated, resulted in the triumph in the United States of one of the great political parties in that country. I recall that ex-President Taft, in sustaining his candidature for the Presidency, made it known that he was in favour of national legislation which would ensure the fiscalization of the railway companies by the Government in order to impede excessive issues of shares and debentures, but still accepting the principle of competition between companies to the benefit of the country. We do not

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know with any precision what are the ideas of the Executive Power. The matter which we now submit to the deliberation of the Chamber gives the Government a brilliant opportunity to make known its concrete ideas and to apply them with energy. There is quite sufficient material for study of the matter already accumulated in the portfolios of the committees of the Chamber. In this connection I can recall the report of a Parliamentary Committee, studies made by the General Railway Board itself, books and pamphlets published by men competent on the subject, being the records of the investigations and the assiduity of citizens who have given their disinterested contribution towards the elucidation of an important national problem.

"From all this it is deduced that it is the place of Congress, first and foremost, to apply itself to the study of the article referred to and of the Mitré Law, to analyse the regulations governing that law which were dictated by an ex-Minister of Public Works, Señor Ezequiel Ramos Mexia, if it be desired that all the misunderstandings that have arisen, continue to arise, and will yet arise in the future, between the railway companies and the Executive Power, and between the Executive Power and Congress, should disappear once and for all. To ask for a rigid, uniform increase of 22 per cent. on all tariff rates for the whole country is simply absurd. The companies have not taken into account the distinct conditions prevailing in their zone of influence, the different distances from terminals, difference in capital of each company, or in profits, and they have made a levy in an identical manner, and to an identical extent, upon the most varied articles of produce. So that stone, linseed, wheat, maize, sugar, meat, grapes, wool, metals, and all other general merchandise are called upon to bear the same burden. At this rate we shall never attain to the tariff rates to which the most advanced and

best organized countries aspire; we shall never have tariffs having the general characteristics of stability, of uniformity, of timeliness, or of duration, because every year the companies will think they have the right to come to Parliament to ask for general increases, treating the prescriptions emergent from the general Railway Law as though they did not exist.

"The Government (another Government—not the present one) has declared, if my memory serves me well, before this Chamber that it has always found its action hindered by the difficulty of interpreting certain clauses which have prevented it from satisfying the legitimate aspirations of the country. All this makes it even more urgent that we should give our attention to the matter, and it will only be settled, in my opinion, when the wording of Art. 9 of the law referred to shall have been made clear.

"When it is known with precision what it is that ought to constitute the capital account of the railways, what are the working expenses which are to be recognized by the Government, and whether expenditure effected by them outside of the country ought to be taken into account—I would mention in passing that this last-mentioned item is not a negligible one, and this will be recognized by the Chamber when I say that in the year 1910 alone, according to railway statistics, it is seen that they amounted (for that year) to $83,783,547 gold, in open opposition to Art. 28 of Law No. 2,873.

"We do not know, either, if the companies have absolute liberty, as was maintained some time ago by the ex-chief of a technical office, to raise their working expenses to the maximum limit of 60 per cent. Neither has it been settled if in these expenses ought to be included reserves for renewal of rolling-stock, and it has yet to be decided whether business which is not strictly railway transport ought to be allowed to weight upon the financial regime of the law.

"I remember that the General Railway Board once had occasion to object that a sum of no less than 120 millions ($ gold) was unduly shown in the capital accounts of the railways, but I imagine that this was not the only instance, and that there ought to be deducted from the fabulous sums which the capital of the railways represents part of their share and debenture issues. These issues have never been authorized by the Argentine, but by the English Government. In this connection it will be remembered that last year one of the companies desired to make a new issue of shares, and that the British Government prevented it.

"Art. 44 of the Railway Law says that the tariffs relating to the transport of passengers and goods must be just and equitable. It is hardly necessary to point out that, proceeding in the capricious manner in which they do proceed, all character of equity, reason, and justice disappears, and that most ridiculous, illogical, and irrational tariffs are imposed upon transport. Such tariffs cause grave disturbance for the national economy. For us their main objection is that they make the cost of living higher. They render difficult the transit of people and of things; they prevent labourers from travelling by obliging them to pay still more for tickets, which, as they are, are the dearest in the world."

There is, of course, much that is purely technical in this speech; but its salient points will be easily realized by the layman reader. As a matter of fact, the proposal to raise the scale of travelling rates during a period such as this, when every concern practically throughout the world has found its working expenses vastly increased, seems to me a most reasonable proposition.

Without entering into details, indeed, it seems to the ordinary person quite impossible to realize how any railway company can exist on the rates of remuner-

ation which prevailed before the present world-wide crisis. I give Señor Zaccagnini's arguments at considerable length, therefore, rather as a sample of what is urged against the British concerns than because of any ability on my part to see eye to eye as regards the various points he brings out. There is no doubt, indeed, that the entire situation resolves itself into the theory that the British concerns are rich, and should be made to suffer for this inconvenient luxury —a doctrine that is by no means held in Argentina alone!

I do not know whether the following speech from the lips of one of the most noted Argentine statesmen and Presidents, Señor Bartolomé Mitre—whom, as will have been seen, Señor Zaccagnini quotes more than once—has ever been translated into English. It was reported at the time of its utterance in the Buenos Aires *Standard* on March 8, 1861; but the editor of Mitre's speeches asserts that the full text was not rendered there, so I translate the Spanish text as given in the *Arengas de Bartolomé Mitre.*

This speech seems to me worthy of a wider publicity than it has so far achieved, at all events amongst English people. In a similar fashion to the quality of mercy, it illuminates both him that speaks and him that hears. It demonstrates, for example, the sentiments of the great Argentine, and at the same time renders a homage to British efforts in South America which we really pride ourselves are deserved. Bartolomé Mitre's words come with special force at the present juncture. This is the speech made by him on March 7, 1861, on an historic occasion, that of the inauguration of the Buenos Aires Great Southern Railway:

"Sirs, taking in my hands the tools to load and to move the first barrowful of earth of the Great Southern Railway, I announce that I experience greater satisfaction than that which I knew when directing the

machines of war, notwithstanding the fact that this latter enterprise met with a glorious triumph.

"A more noble struggle and a greater triumph is experienced in bringing joy and hope to the most remote populations of the country, announcing to them by means of the locomotive whistle that a new era of glorious peace and abundance is beginning for them.

"It is for this purpose that we are here on the projected course of the line, my wheelbarrow filled with Argentine earth, which British capital and the work of the emigrants are about to make fertile. This is the happy augury of a great future: the seed of progress has been deposited, which will fructify and give back an abundant harvest to the workers.

"Now, in answering the cordial salutations with which the foreigners here have greeted me, and especially those citizens of Great Britain, I will say that I do not acknowledge them as foreigners in this land.

"I acknowledge and salute all those present as brothers, because we are indeed brothers in the field of human labour.

"All those who disembark as guests on our shores and establish themselves as inhabitants under the shelter of our hospitable laws, bring to bear their moral and material offering to our civilization, and join by this deed their force, sentiments, and interests with ours. They bring to us their strong arms, their capital, their practical and theoretical wisdom, their activity, and their blood and their heart as well. Incorporated with the elements constituting our society, these live forces, working harmoniously, form what we might call our circulating social capital.

"If those who call themselves foreigners in the common hearth do not mingle their blood with ours in the field of battle, we mingle in other ways, obeying those laws of the Creator in order that by this fusion an intelligent virile race may be preserved, whose

destiny is to govern the world, since it is the sole one under whose auspices it has been possible to realize the wonders of a durable and perfect civilization. They walk with us along the furrows, armed with the British plough and the North American reaper, and this piece of bread, which I break in honour of the fraternity in the banquet of life, a symbol of the communion of all human races, is the product of the harvests which the British agriculturists and the Argentine labourers have won by their sweat. To-day it is eaten in sacred peace and friendship by representatives of all nations of the world, whose banners are fluttering over our heads.

"Now, concerning those congratulations which have been made to me on account of the part which I have played in this work, I will merely answer, as a representative of those who have co-operated with me in this, in the fashion of the General who crowned himself in the presence of his army and said: 'My soldiers have gained the crown, and I place it on my brow in their name.'

"But, sirs, these are merely the visible effects that strike us. Let us take count of this peaceful triumph. Let us search for the moving spirit of this progress and see what is the force which has placed it in movement.

"What is the force that is at the back of this progress?

"Sirs, it is British capital.

"I might wish that this glass were of gold, not in order to worship it as the calf of old was worshipped, but in order to present more worthily the symbol of the friendly relations between Great Britain and Rio de la Plata—Britain, who was our enemy when we were colonies, and our best friend during the War of Independence.

"In 1806 and 1807 the British brought us iron, in the form of swords and bayonets, and lead and

bronze in the shape of balls and cannon. They received in exchange iron, bronze, lead, and fire, and their blood and ours, spilt in the battles, was dried by the pampero in the streets of Buenos Aires.

"Afterwards they came with iron in the form of pickaxes and shovels, with cottons and with cloths, and they took in exchange our raw products, to convert them into merchandise. This occurred in 1809, and from that time was sealed the friendship between English commerce and the rural industries of this country. The duties which the English merchants at that period paid into the Buenos Aires Custom House were so abundant that it was necessary to strengthen the walls of the Treasury for fear lest the weight they had to support would bring them to the ground.

"That was the first achievement of English capital in these countries, an achievement which presaged a fall of the old barriers and the advent of a new epoch.

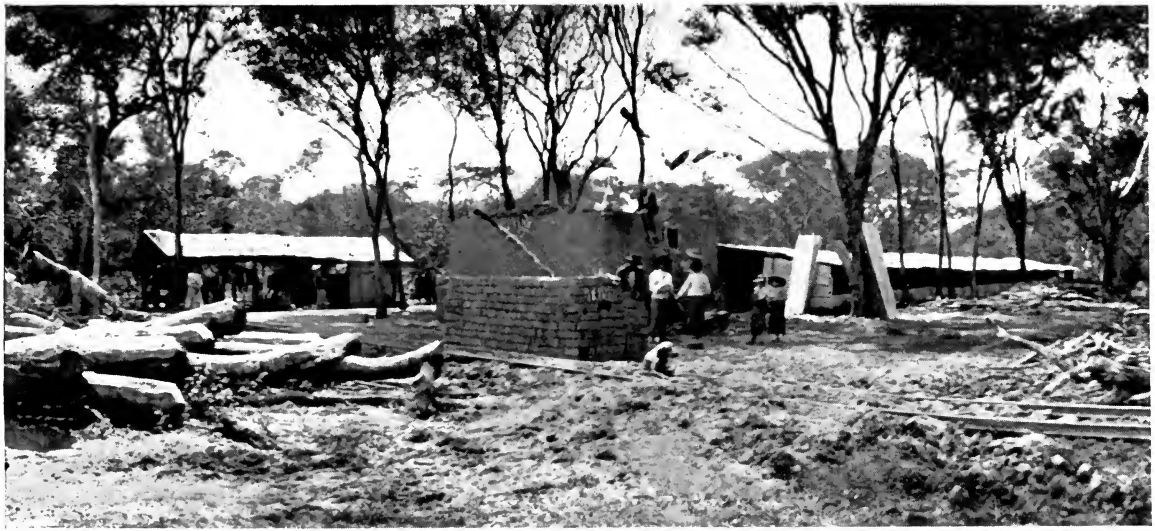
"Truly, sirs, British capital is a great anonymous personality, whose history has not yet been written.

"When the Spanish-American colonies declared their independence in the face of the world, no one believed in it. The new Republics found no one in Europe who would lend them a dollar, nor any one who would trust them with a hundred rifles. British capital alone had confidence in their future, and, opening its iron coffers, said to them: 'Here are the pounds sterling of British capital; take what you desire.' And this brave act of the merchants of a country inspired its Government to a policy which it was destined to follow until the day when, through the mouth of Lord Canning, it pronounced those great words, 'A world cannot be called a rebel!' When the united provinces, shattered by civil war, poor, almost without an income and without credit, were unable to find a single Argentine to lend them a *real*, British Capital was the only one to lend them

the sum of five million sterling with which to construct ports and to populate the desert lands of the frontier. . . . About twenty years went by without the repayment of capital by us; but, as the British knew that nations never die nor fail, they believed in the immortality of their capital, and to-day they see it resuscitated in the form of rails, of locomotives, and of coal, and the promised land which will soon be populated by the emigrants, with the engineer as their guiding star.

"It is to this rational confidence in the future of the young peoples that the British commerce owes the fact that it to-day possesses the most gigantic capital the world has ever seen, spread out to play its reproductive part all over the earth, whose interests and gains cause gold to flow to the great money market, its tributaries being those who owe them capital. This is the secret of the abundance of money in London, and this is the foundation of the prosperity of British commerce, the financial capital of which, in the fashion of a great personality, as I have said before, lives on its income without ceasing to work towards its increase. . . .

"I pray at the end of my term of office that I may bequeath as an income to my country one dozen millions of money, 30,000 emigrants, and 500 miles of railroad; then, when it shall enjoy these in peace and prosperity, I shall be satisfied, as I am to-day, drinking to the happy combination of British capital and Argentine progress."



THE INCEPTION OF INDUSTRY.

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CHAPTER IX

SOME COMPARISON IN INDUSTRY

Some aspects of the general South American industrial and commercial situation—Demands of the Latin continent—The motor industry—Possibilities of this—Figures showing the importation of cars into Argentina—Countries best suited for the automobile—The various types of highways—The South Americans and the motor habit—Demand for motor-boats—Enormous fields for these in the Amazon and River Plate systems—Development of South American roads—Questions of labour—Road-work in the remoter Republics—The possibilities of aeroplanes—Country best adapted for these—South America and the shipbuilding industry—River steamers—The demand for railway material—Quantity of this imported by the various Republics—Agricultural implements—Policy of the British manufacturers—Some comparison between these and North American and German methods—Principal markets for agricultural machinery—Some details concerning the respective situations—Mining machinery—Where this is required.

HAVING dealt with a number of aspects of the general industrial and commercial situation as regards South America, we may now enter into the details of some of the various trades concerned and endeavour to show some of the possibilities presented by the most important of these.

The chapters devoted to this topic cannot fail to be of a disjointed and "scrappy" order; but as their object is to give information on a great number of subjects in a confined measure of space, it is plain that any attempt at literary style must go by the board.

The principal subject of the following pages is com-

prised in the requirements of the South Americans, as this is naturally the side of the continent's trade which interests the British manufacturer most keenly. It is for this reason that I am endeavouring to lay special stress upon the exports of the various manufacturing countries to the Southern continent. As, however, many of these imports are closely connected with the industries of the Latin continent itself, I shall refer to this subject as well as to the other. For instance, it is of interest to the manufacturer of mining machinery in this country to know (if he does not already) where the principal mining regions are situated; for it stands to reason that where mining is carried on, there will mining machinery be required, and where up-to-date agriculture is carried on, in those districts will ploughs, threshing machines, reapers and binders, and other machinery of the kind be wanted.

The number of industries which are concerned with the South American market is so vast that it is not easy to know where to begin. But when in doubt on a point such as this, it is a safe "hedge" to choose one of the latest to show any striking development. By this means we are led at once to the very threshold of the motor industry. It is perfectly safe to predict that the motor industry in South America will offer opportunities after the war such as it has never known since the days of the first boom following on the improvements which made the ordinary car a possibility to the man of moderate means.

The extent of the importance that this industry had already reached will be evident from the fact that in the year 1913 Argentina alone imported over five thousand cars. Since then, of course, the numbers have greatly fallen off, although the United States has continued to send a certain quantity of automobiles.

The actual figures concerning the recent importations of motor cars into Argentina are :—

	Cars.
1911	2,461
1912	4,281
1913	5,115
1914	2,185
1915	1,847

It is in connection with the motor trade that a peculiarity in the general ideas concerning South America may be remarked on. Although they have become rather more familiar with the affairs of the Southern continent during the past decade, people are still too much addicted to regarding South America as a unit in the matter of nations, and they are thus apt to consider that what suits the tropical North is good enough for the chilly South, and so on. Fallacies of this kind have been applied particularly to motor-cars in the past, frequently with unfortunate results, notwithstanding the fact that these are uninfluenced by climate to a large extent.

The physical circumstances of a new continent naturally play a far greater part in the question of automobiles than is the case in the fully developed regions, where good roads abound to lessen the difficulties of the more rugged parts. In the Amazon Valley, for instance, there are enormous tracts with an actual surface that is practically as level as a billiard table, but that is covered with forest or soaked in swamp. One day these great territories will afford one of the finest grounds for automobiles in the whole world—but it may safely be said that that day will not arrive for a long time.

Broadly speaking, the whole length of the Andes chain from north to south contains a quite negligible amount of country fitted for the motor, although in many of the valleys, notably in Chile and Peru, there are long stretches that are eminently suited to the

traffic. So far as gradients are concerned, no type of country could be more favourable than that of the Central Plains of Argentina, but here the complete absence of stone has an effect on the construction of the roads that presents in its own way almost as many difficulties as a rugged and mountainous country.

In Uruguay stone exists for the metalling of the roads, which pass over a lightly rolling country, and this small Republic may be regarded as unusually well fitted for the ordinary run of cars. On the whole, Brazil is too mountainous to constitute a good motor country, although the enterprise in road-making here bids fair to overcome many difficulties that a generation ago would have been considered insurmountable.

There is no doubt, as a matter of fact, that the South Americans have acquired the motor habit. In every centre of the advanced section of the Republics where these convenient vehicles are in the least feasible they exist. This tendency, instead of wearing off, is undoubtedly increasing, and the Latin American is rapidly becoming impatient of any slower method of progress.

This state of affairs is beginning to be as noticeable on water as on land—in those regions, that is to say, where the important inland waterways extend. Some of the most luxurious motor-launches in the world are to be met with on the tributaries of the Rio de la Plata, and similar craft abound in the harbour of Rio de Janeiro and other sheltered spots along the coast.

On the inland waterways the marine motor now has a very wide commercial scope. Light engines placed in ordinary small craft are now numerous on the Amazon system. These are now beginning to play an important part in the transport of provisions and the lighter kinds of produce. This type of boat, too, is beginning to become immensely popular on the tributaries of the Paraná. The banks of these streams

are to a large extent covered with peach orchards, other fruits, and vegetables, as well as with light timber which serves for firewood, and a great proportion of this is now carried in roomy rowing boats fitted with a motor engine.

As is the case in the Amazons, not only do the waterways constitute the sole means of transport of goods, but in the majority of districts they afford the only way of travel for human beings, since the habitations of many of these are on islands, and in any case there are very few roads in existence in those neighbourhoods that are so admirably served by these streams.

This fruit and vegetable industry on the banks of the Paraná and of the neighbouring streams is one of comparatively recent origin, but the demands of the great capital of Buenos Aires are very large, and many of the peasant proprietors are now "warm" men, who are displaying an increasing tendency to employ their motors not only for their livelihood, but for their casual visitings and marketings about the streams as well. I mention this merely in order to demonstrate how important must be the demand for motor engines of the kind when normal conditions of life reassert themselves in the world.

The future of this industry, however, may be judged clearly enough without going into any such details as these. The two enormous systems of the Amazon and of the Rio de la Plata are in themselves sufficiently eloquent on this point. The former possesses a length of navigable streams which approaches thirty thousand miles, while the La Plata system (including the Paraná, Paraguay, and Uruguay), although less enormous, has a basin of some million and a quarter square miles. Its main stream, although only half the length of that of the Amazon, is navigable by good-sized steamers for a thousand miles, and by lesser craft for half this distance again further inland. There is not the faintest

doubt that the traffic on both these gigantic systems is destined to be perfectly enormous. It is abundantly clear, therefore, that South America will shortly afford the greatest marine motor market in the world.

Another point to be noted, too—as I have already had occasion to remark—is that the South American has now definitely acquired the motor habit. Although it is a great mistake to suppose that the average dweller in the temperate districts of the Southern continent is necessarily in the least lacking in energy, he has never shown himself a keen pedestrian, and the love of walking for walking's sake is utterly unknown to him. It is said of the inhabitants of our own Australasian Dominions that they will run half a mile to catch a horse to ride half a mile. There is an element of truth in this, and the same may be said of the inhabitants in temperate South America—with the exception that they will probably employ some one else to run the half mile!

In the advanced Republics *mañana* is as dead as it is possible for any to-morrow ever to be. The atmosphere of the South has now come to understand the demands of hurried luxury, and the South American has now become acutely devoted to the automobile as one of the providers of this.

A circumstance which must not be overlooked as regards South America is that, although the war has caused so marked a shortage of labour in Europe, this is by no means the case in many parts of the Southern continent. It is true, of course, that a great number of Italians have been recalled to join their colours in Europe, and from this cause South America has temporarily lost the services of many excellent workmen. But there have been other circumstances which have compensated to a certain degree even for this.

As a matter of fact, now that so many of the Southern Republics have been left to their own resources to a greater extent than ever before in the history

of their independence, a higher degree of enterprise has, naturally enough, been shown. When normal conditions of life and commerce return, the results of this will no doubt cause no little surprise to the merchants and manufacturers who have, to a certain extent, lost touch with the Latin American in the course of these latter strenuous years.

The consequences of this greater initiative will certainly be evident in the motor industry, for one thing; for the enterprise which is now being shown in the construction of new roads is very considerable indeed. One of the great drawbacks to the importation on a large scale of cars into South America is the lack of rural highways and the foundering of so many vehicles through sheer inability to cope with the gradients and surface, or, to be more accurate, the lack of surface. Venezuela, Bolivia, and Peru are showing no little energy in this direction, and Colombia, which until lately had shown a marked absence of enterprise in the matter, has now taken up this important and necessary task. From the point of view of opening up districts which until now have been isolated, not necessarily from the point of view of distance but from the want of communications, the results of this move cannot fail to be of incalculable importance.

It is early days, perhaps, to talk of the full possibilities of the commercial markets for aeroplanes, but there is not the faintest doubt but that the Republics of the South of the continent will take with enthusiasm to the commercial use of aircraft as soon as they have the chance of employing them to any considerable extent. It may be that, just as the Latin chauffeur has proved himself one of the most daring in the world, his brother in the air of the same race will distinguish himself in similar fashion. and thus prove himself worthy of the traditions of a Santos Dumont.

This seems probable enough, and in any case it is certain that in many countries he will possess some ideal fields for his experiments. In the great plains of Central Argentina, for instance, there exists one of the finest flying areas in the entire world. In this remarkable stretch of country it is no exaggeration to assert that there is probably not 5 per cent. of the total area of the land upon which an aviator could fail to make the simplest landing. From the aviator's point of view, indeed, flying over the country of the Pampa, as it is popularly known in England, resembles soaring over a billiard table, and, so far as land obstacles are concerned, he could descend almost everywhere with his eyes closed.

Dealing now with vehicles driven by other means than petrol, it may be said that the British shipbuilders have paid no little attention to the great Southern river system of South America, and the fleet of river steamers on the La Plata–Paraná–Paraguay streams have almost entirely been constructed in Great Britain. These are very fine vessels, and are adapted for the rougher waters which occasionally prevail at the mouth of the river (where, indeed, the powerful *pampero* is wont to blow), as well as for the inland navigation of the streams.

On the Amazons the type of craft is rather more varied, and it would appear that there is room for British enterprise in this direction. The Magdalena River, too, promises a far more important field for shipbuilders than is generally supposed. As a matter of fact, the vessels on this stream have, so far as their build is concerned, come to a considerable extent under the North American influence, which is not surprising, considering the geography of the Colombian Republic. The construction of many of these light-draught vessels is, indeed, as I should imagine, even more elaborate in its way than the far-famed steamers of the Mississippi (which, by the way, I have never had the advantage of seeing).

In any case, the numerous and lofty decks of the largest Magdalena river craft are something of an "eye-opener," and, when freshly painted, have something of the effect of a courtyard in a Shepherd's Bush Exhibition! This effect, as a matter of fact, is sufficiently imposing in its way when it is shown moving against the marvellous background of the streams.

Argentina is the largest importer of the South American States in the way of railway material. The average value of the annual introduction of this into the Republic for some years previous to the war had been in the neighbourhood of £7,000,000 sterling.

Brazil, it is true, cannot as yet compete with this important total; but the proportion of the increase of the great Eastern Republic is the more remarkable. It must be admitted that in the statistics that are given concerning this a certain number of road vehicles are included, but the inclusion of these does not markedly affect the totals. Thus, whereas about £800,000 worth of railway material was imported into Brazil in 1910, the year 1911 shows this figure increased by half as much again, while in 1912 the importations nearly reached £3,000,000, which large figure was slightly exceeded in 1913. It will be seen from this how important is the increase in this industry in Brazil. Moreover, there cannot be the faintest doubt but that when the normal condition of affairs is resumed, the increase in these figures will be far more rapid even than before.

The other Republics fall a long way behind these two States in the matter of the importation of railway material. The largest amount imported by Peru in a single year, during recent times, was £150,000.

Chile, too, imports far lesser quantities of this material than might be expected. But this is accounted for, to a certain extent, by the fact that the Chileans manufacture more of this kind of material for them-

selves than do the inhabitants of almost any other Republic in South America.

The question of agricultural implements is one that is naturally becoming more important every year, as the area under cultivation increases throughout the continent. Originally, the two great competitors for the supply of these to the South American market were the British and the North Americans. In this branch of industry we meet with conditions as regards the style of competition similar to those which prevail in the railway world and elsewhere.

The British firms placed the chief stress upon excellence of quality in their manufactures. The American houses, on the other hand, laid themselves out to supply a cheap and practical article that could lay claim to very few enduring qualities. The British pointed to the perfection of their product, and challenged any competitor to equal its sterling merits. The American manufacturer frankly disclaimed any such intentions. He admitted, in fact, that his product would wear out in the course of a few years. By that time, however, he assured his customers that he would have a new and improved model on the market, which would make it worth their while to scrap the first cheap purchase and to replace it by the second, which, being equally cheap, could be abandoned for a third in due course—a procedure that could be continued indefinitely.

There would seem much to be said for both contentions, and from the point of view of the respective advantages of the two offers, the result usually seemed to depend on the temperament of the buyer. There is no doubt, however, that if some of the high-grade British machinery could be contrived on a rather slighter scale than is the case at present, it would be even more attractive than it is now.

Previous to the war the Germans appear to have made considerable progress in the agricultural machinery

markets of South America. Their policy was to "hedge" between the British and American schools. In accordance with this theory, they produced a cheap machine got up to resemble the British in outward appearance, but which in reality was fortunate if it lasted longer than the American article, or as long. Nevertheless, by this means, and by their pushful methods of sale, the German manufacturers had managed to nibble away an appreciable part of the bulk of the British trade. So far as actual value is concerned, there is no doubt, however, that the American agricultural machinery is far more formidable as a competitive article.

The principal markets for agricultural machinery are Argentina, Chile, Peru, Brazil, and Uruguay, while the Northern Republics, such as Ecuador, are now beginning to import notable quantities of this machinery. The details of these importations are explained elsewhere in this book, but the various classes of machinery in question may be briefly referred to here.

Argentina requires ploughs, harrows, reapers and binders, elevators, threshing machines, and other implements for the manipulation of the ordinary cereals. The Republic is the largest importer in South America of this class of implement. So far as sugar is concerned, however, comparatively little is required, and the demand for mining machinery is quite insignificant. A very notable field for artesian wells is provided by the great plains of Central Argentina, many districts of which are largely dependent on this agency for their water supply.

In Uruguay similar conditions prevail to those in Argentina, with the exception that no sugar-producing machinery is required.

Chile, too, is in much the same situation as Argentina as regards agricultural machinery, and the same may be said of Southern Brazil and Southern Paraguay.

To the north of these territories the relative importance of the various products alters, and the production of sugar takes first place, although a certain amount of machinery for the handling of cereals is required almost everywhere. In the less advanced countries the more elaborate types of this are not yet in general use.

It is difficult to include such vast objects as grain elevators under the heading of ordinary agricultural machinery, although, strictly speaking, they have as much right to be included as the ordinary plough of commerce. These at present only obtain in such large centres as Buenos Aires, Bahia Blanca, and other places of the kind, but with the spread of the wheat area the number of these must necessarily increase, and the various local authorities are usually anxious to do all in their power to obtain the services of one of these great storehouses for the grain.

The Republics in which mining machinery is in the greatest demand are those of Peru, Chile, Bolivia, and to a lesser extent throughout the Republics of the North. In Argentina the only metal-bearing districts are those of the west and the north-west, and almost the only important mining venture is that of the Famatina, in the province of La Rioja. In Paraguay the mining interest has remained quite absent up to the present time. In the third Republic of the River Plate basin, Uruguay, a certain amount of general mining is carried on, although none of these enterprises have been sufficiently important to be developed on a large scale.

CHAPTER X

NEEDS OF THE CONTINENT

The coal industry—Importations of coal into South America—Great Britain as the largest exporter—Economic conditions which govern this article—A national asset—South America and foreign timber—Importation of furniture—Lubricating oils—Chief fields where these are required—The glass industry—The situation concerning the importation of this into South America—Filters—The ubiquitous need for these—Water-power in South America—The principal sources of this—Importance of the Falls—The Iguazú and Victoria Falls—The paper trade in South America—Its rapid development—Importance of South American enterprise—The importation of books—Competition in the paper trade—An instance where energy was lacking.

We may now turn to a few of the mineral and vegetable substances that the Southern continent receives—for in the main South America is accustomed to import such things rather than to export them.

One of the most important of these is coal. It is true that South America possesses coalfields in Chile and in Argentina, as well as in a few other places. But the total output of the continent in this direction does not nearly suffice for the local consumption, the demands of which are continually increasing in extent. The result of this is the enormous deposits of coal introduced from Europe, North America, and Australia.

Up to the time of the outbreak of the war Great Britain was the largest exporter of coal to South America. Indeed, it is estimated that the recent annual shipments of this material from Great Britain to the Latin continent have amounted to a total

which exceeded 75,000,000 tons—an almost overpowering figure. The corresponding figures of the German exports of coal were rather more than 20,000,000 tons, and the United States sent considerably less. Since the outbreak of the war, however, the United States has shipped comparatively large quantities, her exports in this respect having exceeded those of Great Britain during this period.

It is clear, however, that the export of coal cannot be placed within the same category as that of manufactured goods, or even as that of such objects as timber, which, at all events, stands a chance of being replaced sooner or later. Whether any nation is to be congratulated on an extensive export of this mineral is a very doubtful matter. Nothing seems clearer, in fact, than that those countries which ship their coal extensively to other parts of the world, and thus denude their coalfields at an extravagant pace, are expending their national capital, so far as this important storage of force is concerned. Moreover, as, so far as is known to science to-day, coal is irreplaceable, there may be something in the contention of those who maintain that the larger the exports of coal, the less advantageous is the situation of the country that sends this national asset abroad.

It may be as well to mention at this point—merely for the benefit, of course, of those who have not previously interested themselves at all in such questions—that the export of bullion in some respects resembles that of coal. Indeed, the shipments of the former are frequently of even less significance than that of the latter; for it is likely enough that the transaction may merely comprise the temporary exchange of metal for the purposes of minting.

It is owing to circumstances such as these that the tables and lists of figures that show the imports and exports of the various countries must not always be taken at their face value. There are certain circum-

stances which are apt to render them misleading to those who do not study their details closely. Thus, if bullion be included—as it frequently is—in the shipments from any of the other countries to the Republics of South America, it has the effect of unduly affecting the computations of the exports from that particular country. This has been rather notably the case in the figures given respecting the trade of the United States with one or two of the Northern Republics of South America.

As should be the case with coal, where a quantity of bullion is returned in the reports of commerce, the peruser of the figures should mentally delete this item from the total.

Considering the amount of fine timber available in her own forests, the quantity of wood imported by South America is not a little remarkable. So far as lumber is concerned, it is not to be expected that Great Britain, from the nature of her products, could ever play a leading part, although the Dominions, of course, are in a position to step into the breach, if it were necessary. As a matter of fact, Canada has already interested herself to a certain extent in this industry, as the import statistics for the continent show.

The situation as regards timber in its manufactured forms is slightly less unfavourable, and a certain amount of furniture is exported from the United Kingdom to the various Republics. The trade, however, at the present time is very insignificant. Thus, the average of the recent British exports of furniture to Brazil does not seem to exceed 5 per cent. of the total international exportations to that State. It is true that in some of the other Republics this proportion has been considerably exceeded, and in Peru and Chile the average British percentage of furniture shipments would seem to be 20 per cent.

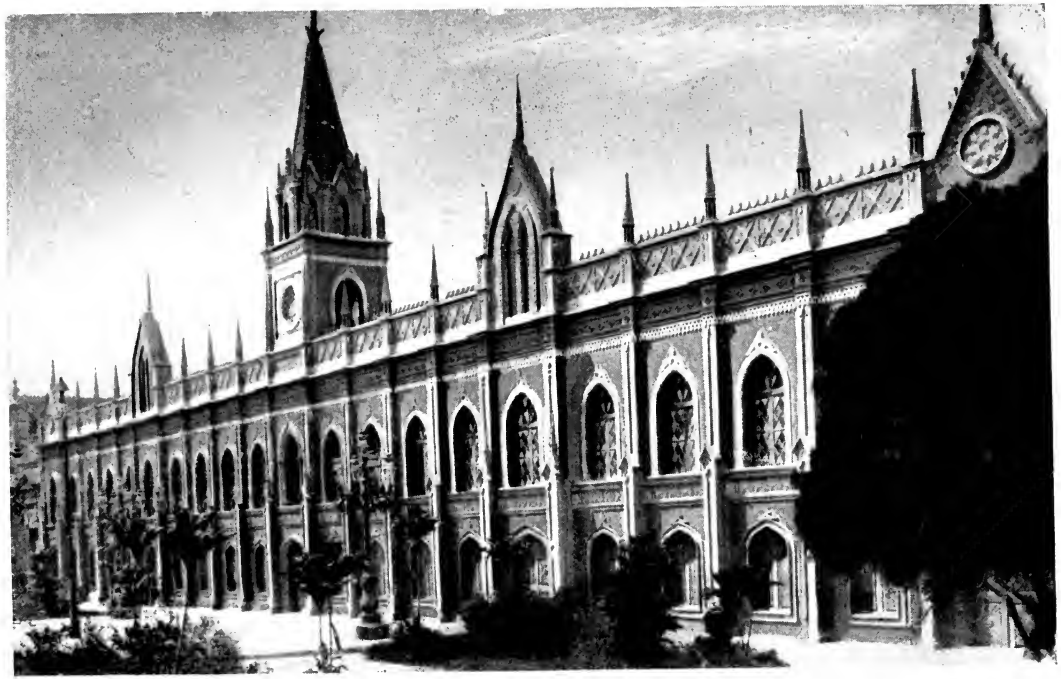
Were one to judge solely from the natural economic point of view, it would be safe to predict that no marked

increase either in the lumber or furniture imports into South America need be looked for. It is certain, for one thing, that, as soon as the necessary labour is available, the enormous forest wealth of Brazil and of the Spanish American States will be opened up, while it is equally certain that the manufactures of timber, which have already attained to considerable importance in Southern Chile, will make corresponding strides.

The demand in South America for lubricating oils is increasing fairly rapidly as the manufactures of the continent show signs of developing. Up to the present time the general trade in the various oils of this nature that are employed would seem to be in North American hands. Large quantities of these lubricants are required in the coffee and sugar districts of the Centre and North, where many mills have been erected to deal with these products. At the present time the territories of Southern Brazil constitute some of the most notable customers for this class of goods. With the prospect of an important increase in the number of sugar factories elsewhere in the continent —and in those connected with general industries, especially that of textiles—the trade in these oils must very soon be largely extended.

The railways, moreover, throughout the continent consume a great deal of lubricant, to say nothing of the rapidly increasing number of lifts which have succeeded the early and somewhat primitive structures of this kind, such as the famous one in the town of Bahia, in Brazil, which was, and probably still is, lubricated by means of castor oil!

In the matter of glass there is a good deal of leeway to be made up by British manufacturers. Before the outbreak of the war Germany had secured nearly the entirety of this trade, and since the commencement of hostilities the United States would seem to have annexed all that Germany once possessed. Such



UNIVERSITY CARACAS.

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share of this trade as Great Britain can lay claim to is concerned for the most part with sheet glass and window glass. In Brazil it should be noted that the quantity of window glass supplied by Belgium was 56 per cent. out of a total import value of £136,000.

It is to be remarked that the general imports of glass into South America did not quite coincide with the great demand that would be expected from this, when the normal demands of the continent are taken into consideration. Thus, in 1913 the entire Republic of Brazil received no more than £125,000 worth of bottles and tumblers, and in 1914 Chile imported no more than £27,000 worth of glass, while Peru in 1913 received about £65,000 worth of this material. In that year the imports into Venezuela of glass were £21,500, and the other Republics of the continent introduced about the same proportion of this material.

It will readily be seen from this that the opportunities for the development of this trade are very great; for in articles of this kind, much the same axiom applies as to the construction of railways. It is a noted fact that in the New World the building of a railway in a suitable spot has the effect of creating passengers and the transport of goods, where before neither men, manufacturers, nor live-stock existed. In the same manner with glass, the introduction of a certain amount cannot well fail to involve the use of more.

Among those commodities which are already largely in use in South America, and the employment of which must be expected to increase in the future, are filters and other instruments for dealing with the impurities of water. The need for these is felt not only in the tropical regions, where it is, of course, to be expected, but in many of the temperate areas, which in other respects are entirely salubrious. The water supply and sanitation of many an important South American town are not yet undertaken with sufficient care to do away with considerable danger to health, and even

on many estancias and haciendas, where the climatic conditions seem ideal, the water from the wells is only too often the cause of an outbreak of typhoid fever. It may be said, then, that there is room for filters and similar appliances all over the continent, from the torrid North to the chilly South.

While on the subject of water we may deal with quite another aspect of this fluid. It should be noted that, although an enormous amount of water-power is available in South America, the distribution of this is somewhat unequal. It might have been thought that the chief centre from which this force could be derived would be the vast basin of the Amazon River; but this is not so, although here and there some notable falls and cataracts are to be met with, especially in such affluents as the Madeira and the Mamoré. Taking the vast system as a whole, however, its great streams are of too placid a nature to supply water-power to the continent in anything approaching the proportion of the volume of the stream.

It is in the great Southern river system, as a matter of fact, that one of the most notable areas of water-power is to be met with. Here, almost at the point where the three Republics of Argentina, Paraguay, and Brazil meet, are the vast Falls of the Iguazú, which will undoubtedly at some future time have their strength harnessed to serve many thousands of square miles of territory.

The great Victoria Falls, moreover, to the north of this point, are equally gigantic in force. Indeed, the power which these latter must one day yield cannot fail to be at least as important as any of the rest.

I have referred to this subject here as these sources of water-power give important indications concerning the future manufacturing fields of South America—a matter that is of primary importance to the manufacturer at home.

The paper trade is developing very rapidly in South America, and very soon there is no doubt that the market for this article in the South American Republics will equal in importance those of any other part of the world. It is unnecessary to explain that the principal importers are the Republics in the South that contain such large centres as Buenos Aires, Rio de Janeiro, Montevideo, Valparaiso, Lima, Santiago, and other important cities of the kind.

The number of newspapers now produced throughout the Latin continent is very great—I should imagine larger in proportion to the number of the inhabitants than almost anywhere else. It follows that the amount of paper that is employed for these purposes is very important. Although this particular branch of the printing industry has made such progress, this condition of affairs does not yet apply to the production of illustrated books, which up to the present has been carried on with real success only in one or two of the most important towns.

It is not a little remarkable to consider the high proportion of books in foreign languages which have of late years been imported into the Southern Republics. Thus, in 1912 over £260,000 worth of printed books were imported into Argentina, of which over 36 per cent. came from Great Britain, Spain contenting itself with exports which only just exceeded 30 per cent. These statistics speak for themselves, and show that, so far as literary interest is concerned, Great Britain has no reason to feel ashamed of her position in South America.

Brazil, as might be expected, runs Argentina very close in the way of paper importation, and there is no doubt that the market for this is increasing here with extreme rapidity.

This latter circumstance, however, may be said to apply to the entire continent, and it is certain that those who are interested in the production of paper

should strain every nerve to obtain their proper share of this business in the Latin continent.

It was in connection with this very paper trade, by the way, that an experience befell me a good many years ago that left a rather depressing after-taste as regards the spirit of enterprise which happened to be prevalent in Great Britain at the time—or, to be more accurate, as regards the lack of it.

In industry and the industrial world it would certainly seem, as I have had occasion to remark before (doubtless in company with many thousands of wiser men), that content is a fatal luxury. To be satisfied with what one has is admirable in theory, but in practice it is possible only to those who are about to retire from the field of action. At any time previous to this the pleasant mood of content seems to be followed by much the same consequences as are experienced by a soldier who falls out of the ranks and sits down by the roadside when his company is on the march. He is out of the hunt, and it is his privilege to enjoy the dust left behind by the feet of the others!

There seems no doubt that we, as a nation, have been far too well satisfied with our lot. We can quite honestly lay it to our credit that we have done much good solid work. But this has not been achieved in a sufficiently aggressive fashion to counteract the methods of some of our competitors. Not only have we not advertised it sufficiently, but we have got into the fatal and easy habit of exclaiming that there is room for everybody. Now, it is a tragic fact that in all matters of really strenuous competition this is a complete fallacy. Were it otherwise, it is clear that competition would have lost its keenest edge, and, so far from this having been the case of late years, the rivalry between the various persons, firms, and nations has rapidly become more intense.

Without wishing to be didactic, surely one may lay

it down as a law of the commercial and industrial world, as it is actually constituted to-day, that the merciful doctrine of "giving the other fellow a chance" is apt to be sheerly suicidal. The unopposed entrance of each fresh competitor is akin to the permitting of the growth of a new weed in a garden of flowers! It is true that the flowers in this instance are not particularly tender blossoms, but until some more kindly species of growths are invented they are all that we have. It is not pleasant to have to admit such a state of affairs—but it would in all probability be still more unpleasant in the end were one to attempt to shut one's eyes to it.

I have personally observed only too many instances of the lack of enterprise bred by this atrophying content. It is a delicate matter to single out particular examples, but I will attempt the one which is connected with the paper trade. Now, the growth of the South American newspapers has been rapid. Many of them are now organs of the greatest importance, and, as I have said, the demand for paper is now becoming rather phenomenal in many parts of the continent.

Concerning the technical details of the paper trade I am profoundly ignorant, but during one of my recent visits to South America the topic of paper happened to crop up in the course of a conversation with one of the leading South Americans. This latter happens to take a particularly intelligent interest in commerce, which makes his case a somewhat exceptional one in a land where the wealthy descendants of the old families are seldom largely concerned from a financial point of view with interests other than those of landed property and mines and the professions.

He had followed the paper question closely, and pointed out that the United States manufacturers seemed to be having matters much too much their own way. He explained, further, that he had considerable influence with the leading newspaper of the Republic

in which we were, and remarked that, if I could put him into touch with a first-class British paper firm, he could in all probability get the business transferred to that country. I was only too glad to give the assurance, and it soon became evident that my friend had, if anything, underestimated the goodwill of the paper in question towards him; for he received what was to all intents and purposes an order on the spot, the quantity, terms, and quality to be the same as that which had obtained in the transactions with the United States.

Though it formed no part of my particular vocation, I brought back this order to England with a certain sense of triumph, none the less great for the extraordinarily easy manner in which it seemed to have been achieved. A very brief space of time sufficed to damp this ardour. The first persons who went into the matter were the heads of a large, pleasant, and reputable firm. In the first place they were frankly astonished at the size of the business involved, for they found it difficult to believe that a South American newspaper could require so much paper. Having been reassured by cable as to this, they went thoroughly into the affair—and in the end came to the conclusion that they were not in a position to offer the same facilities as those provided by the Americans!

Another firm found that the chief difficulty lay in the quantity required, and after a time the unfortunate transaction faded like a spring flower in a drought, and ultimately became no more. It should be added that the wealth and financial integrity of the South American newspaper proprietors were indisputable, and were freely acknowledged in London, and that there was no question concerning the good faith of the order.

So far as I could gather, times were fairly flourishing, and the manufacturers considered themselves suffi-

ciently occupied with the local demands. They must have known best. After all, it was their business and not mine. But it was difficult to write a halting explanation to South America without feeling foolish over the matter.

CHAPTER XI

NEEDS OF THE CONTINENT (*continued*)

The live-stock industries of South America—Their importance—Favoured position of Great Britain as the exporter—Argentina as a live-stock breeding country—Pedigree stock in the South of the continent—Important requirements—Various breeds of cattle, sheep, and horses favoured in the Southern Republics—Situation of the Centre and of the North of the continent—Increase of the areas of the pastoral industry—Some experiments in the introduction of pedigree stock—Figures showing the importation into Argentina—British saddlery—Effects of the increasing population of South America—Market gardening and the seeds in the temperate regions.

THE cattle and sheep breeding industries have now, of course, attained to enormous importance in South America, an importance which the war-like preoccupations of Europe and North America are likely to increase still further when normal conditions are resumed.

As regards this particular branch of industry, Great Britain is in a peculiarly favoured position, for the stamp of pedigree cattle and sheep which she breeds are admittedly the finest in the world.

The pasture lands of the most temperate regions of South America, moreover, have this peculiarity, that notwithstanding the richness of the grass and the general pastoral advantages of such areas, the live-stock of the first-class standard is apt to deteriorate, imperceptibly at first, but to a noticeable extent after several generations.

In order to remedy this, a continual influx of fresh strains is necessary, and this demand for new blood results in very large incomes to the breeders, princi-

RAILWAY STATION PARANÁ.

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pally in Great Britain, but also elsewhere in the pastoral centres of the world.

The principal live-stock importing country is Argentina, the enormous stretch of whose pasture land is probably unequalled in richness in the whole world.

Argentina, true to her wealth and convictions, will be satisfied with nothing but the best, and the number of magnificent pedigree animals which have been shipped from Great Britain to this Republic within the last twenty-five years is amazing, as the statistics given later in this book will show.

Argentina, in fact, holds the world's record for high prices paid for pedigree bulls, sires, and rams, and it is very unlikely in the present condition of affairs that she will yield this place to any competitor.

As regards the purely practical side of the industry, it is not necessary to enter here into the details of the exportation of pedigree live-stock from Great Britain to South America. As a matter of fact, the relations between the landowners in South America and the breeders in Great Britain are now exceedingly close, and in this branch of industry there is no need to urge any alteration in the manner in which the selling is carried on, since, after all, it is a mere truism to say that the British pedigree live-stock is unrivalled throughout the breeding centres of the world, and that, in some respects, Great Britain enjoys the privileges of a monopoly in the breeding of champions.

There are very few important sales of live-stock now in any of the British counties at which some purchases are not made for Argentina, or for one of its neighbours, and there is more than one expert who makes a point of travelling to and fro between Great Britain and the Southern Republics of South America with the object of buying pedigree bulls, sires, and rams for the great landowners of the Latin continent.

It has already been explained that it is in the temperate countries of the South of the continent that this ambitious style of breeding is carried on—an industry, it should be said, that has brought very great wealth to the countries that have been able to take it up. These comprise Argentina, Uruguay, Chile, and the southern districts of Brazil and Paraguay.

Although every British stock-breeder is familiar with the details of the requirements of these great South American stock-raising countries, it may be as well to run hastily through the most popular breeds here that are introduced into the Southern pastures.

In cattle, the two leading strains are the Durham and the Hereford, although a number of others attain to much local popularity in various neighbourhoods. Among these are the Polled Angus, the Jersey, and one or two other strains.

The area of sheep-breeding is, owing to the nature of the smaller animal, more confined than that of the cattle. Pedigree sheep refuse to maintain the integrity of their strain in an atmosphere that at all approaches the tropical, and in South America the northernmost line of the well-bred sheep falls well to the south of the frontier of the cattle in this respect. On the other hand, sheep of a good class are now being more and more extensively bred in those districts of Patagonia which until recently were practically wild and constituted a little-travelled country. The most popular breeds are Lincolns, Leicesters, and Romney Marsh.

Much the same may be said of the really high grade of the heavier class of horses. The area in which they are bred corresponds very closely to that of the sheep, the favourite strains being Thoroughbreds, Hackneys, and Clydesdales. The breeds imported, however, are by no means confined to these, as the owners of the estancias or haciendas are not without

their own ideas on the subject, and are frequently given to try experiments, very often successful, outside the accepted groove.

The breeding of fine stock applies, as has been said, to Uruguay, Chile, Southern Paraguay, and the temperate southern province of Brazil. Elsewhere the export of pedigree live-stock from Great Britain to South America is not effected on an important scale. Undoubtedly there are some areas which in time to come will be concerned in the breeding of finer strains than at present exist, and such localities are to be met with in Peru, Bolivia, and Venezuela. Elsewhere, speaking generally, the climatic conditions do not permit of the breeding of expensive live-stock, and such cattle as exist are raised rather for their utility in transport and for the sake of their hides and horns than for butchering purposes.

This is especially the case in parts of Brazil, where a certain type of cattle has been introduced from the Portuguese tropical colonial possessions elsewhere, and in neighbourhoods such as these, of course, the British stamp of cattle can never be expected to thrive.

Nevertheless, the increase of the pastoral industry in the countries which until recently had been considered as of too tropical a nature for these purposes has been very considerable of recent years. This branch of industry, as a matter of fact, has been much encouraged by the various Governments concerned, who are naturally anxious to see their particular Republic established as a self-supporting country in respect of meat.

Naturally enough, uniform success has not attended this movement, and in many instances the ambitious breeders have imported expensive pedigree stock which was not in the least fitted to thrive in tropical regions. The result has been a great mortality in live-stock imported into these places.

In many regions, on the other hand, it has been found practicable to introduce pedigree live-stock where in the last century it was not considered possible. This is especially the case in the Southern States of Brazil, where valuable sires, bulls, and rams are now imported, with very satisfactory results on the whole. In the low-lying districts of the tropical lands, such as those, for instance, of the Amazon Basin, it is almost unnecessary to explain that no cattle suitable for butchering purposes—regarded, that is to say, from a European point of view—can be expected to thrive.

In Venezuela and Colombia, however, the uplands permit of no small improvement in the class of *criollo* cattle from native stock. The Colombians now seem to have realized to the full the possibilities of this particular branch of industry, and the Government is prepared to pay a bounty for each pedigree animal imported for the purposes of breeding.

This particular venture is, of course, more or less in its infancy. The enterprise of the Colombian Government in this matter is decidedly praiseworthy, and in the end the results will be, no doubt, profitable to the country at large.

The following figures showing the imports for the ten years ending with 1910 into Argentina of live-stock will give some idea of the importance of this industry:

CATTLE.

	Number.
Shorthorn	8,661
Hereford	339
Polled Angus	370
Red Polled	98
Jersey	92
Sundry	124
Total	9,684

The average value of each of these was £131, making a total of £1,268,646.

SHEEP.

	Number
Lincoln	22,985
Merino	566
Hampshire	1,441
Shropshire	1,590
Romney Marsh	1,139
Sundry	1,172
Total	28,893

The average value of each of these was £13 2s., making a total of £378,511.

HORSES.

	Number.
Percheron	1,003
Clydesdale	696
Shire	365
Hackney	438
Yorkshire	89
Suffolk	56
Anglo-Norman	75
Shetland	71
Ponies	31
Arab	17
Sundry	595
Total	3,436

The average value of each of these was £131, making a total of £450,131.

The importation of pigs, principally of Yorkshire and Berkshire strains, amounted to 2,644, the total value of which was £23,092.

The corresponding importations of the neighbouring Republics have been proportionately important. In these the popularity of the various strains alters a good deal; thus in Uruguay the Hereford breed of cattle is more in vogue than the Shorthorn, and so on.

As regards horse equipment in general, the commercial situation differs considerably in the various parts of South America. It would not be a very easy matter to compute the number of riders in the continent; but it can safely be taken for granted that the sum

total of these is very great. Indeed, it is certain that, did they all demand to be supplied with English-made saddles and bridles, they would constitute the largest market in the world for the British saddlery trade.

But the proportion of English saddles employed by this vast army of riders is by no means large. Among the humbler classes of the equestrians their use is quite unknown. Thus the Gaucho of the plains of Argentina and Uruguay will use the blankets of his *recado* saddle, which will serve either for his horse's back or for his own bed, as the need may arise. His bridle will be of locally manufactured raw hide—richly ornamented with silver, if he belong to the genuine old stock of the Gaucho race. It is the same with all the rest of his horse furniture. The taste and fashion of each particular district have remained firmly rooted. This condition of affairs, indeed, prevails throughout the continent. It holds good in Paraguay, in Chile (where the massive saddles and wooden stirrups have their own marked peculiarities); it asserts its influence throughout Peru, and extends to the cattle-bearing Llanos of the far North.

It is only among the wealthier classes of landowners that English saddlery is popular, and that only in districts such as those of Argentina, Chile, Uruguay, and some of the neighbouring districts, where modern and cosmopolitan ideas have been permitted to play their part.

In such spots as these English saddlery is very popular, and has long been the fashion among those addicted to the better breeds of horseflesh, just as English clothes are the rage among those communities who make a study of their attire. There is a certain, though limited, market for English saddlery in such places as these. In the remoter spots, however, such as Bolivia, Colombia, and Ecuador, the demand is quite insignificant, although it may be regarded as an assured fact that a certain amount of trade would

result were these articles judiciously "pushed," even in these Republics.

The increasing population of South America has now, as I have already pointed out, tended to transform many of the pastoral areas into agricultural districts.

It is for this reason, needless to say, that the demand for agricultural implements of all kinds has increased so rapidly in Argentina, Chile, Uruguay, and Southern Peru. But this tendency is by no means confined to the great areas of the cereals themselves.

One of the chief evidences of this change is the rapidly increasing number of market gardens which are now to be met with in the neighbourhood of large towns.

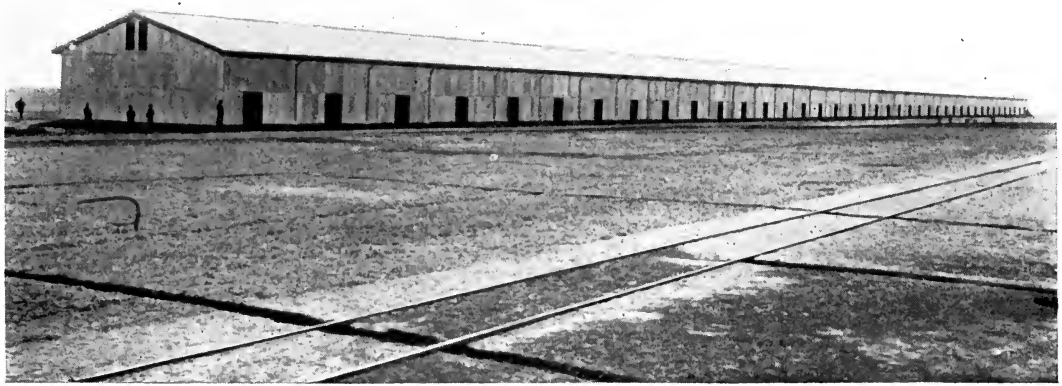
This raises the question of the supply of seed for the stocking of these.

In the tropical areas, of course, the British seedsman can have no financial interest, for in those fortunate regions the various exuberant growths of the latitudes may be trusted to look after themselves to propagate with a fertility that renders the labour of weeding of infinitely greater importance than that of sowing or planting.

In the Southern Republics, however, and in the lofty and temperate regions of many of the Northern countries, European vegetables and fruits are grown in abundance. This is especially the case in Chile, Argentina, Uruguay, Southern Brazil, and Southern Paraguay. In these regions almost all of the European vegetables will consent to thrive, and almost all the fruits, with the exception of such hardy growths as the apple, cherry, gooseberry, currant, and similar products, which, however, flourish freely in the latitudes of Argentina and Chile, roughly to the south of latitude 40° S.

In Argentina and Chile, too, enormous vineyards exist, but these, of course, have no concern with

British agriculturists, the vines being brought from the various European viticultural centres and first of all acclimatized in Chile, after which, if they are intended for Argentina, they are sent across the Andes to Mendoza and the other wine-producing centres of Argentina.



RAILWAY SHED, ARGENTINA.

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CHAPTER XII

QUESTIONS OF FINANCE AND DEMAND

"High finance"—Loans and banks—Importance of the various British financial institutions in South America—A quotation concerning the banking situation—Advancing money on land—Insurance enterprise—Laws governing the local branches of British insurance companies—Financial distinctions between the Federal and Provincial Governments of the various Republics—Some aspects of this that are of interest to investors—Opportunity for hotel enterprise in South America—The South American as a hotel-keeper—Traditions inherited from the Iberian Peninsula—Peculiarities of hotel life in the remote centres—The modern hotel in the larger cities—Demands of the South American in this respect—Promise of the enterprise—The question of clothes in South America—Itinerent Parisian dressmakers—Chief centres for male and female clothes—Average cost of these—Demand for furs in the South—Importation of boots—Countries generally concerned—Local tastes—The perfumery trade—Its importance in South America—Some figures showing the quantities used—The question of exhibitions—The possibilities of floating exhibitions—Circumstances which it is necessary to bear in mind in considering these—Situation of the chief South American commercial towns—The question of South American commercial agencies in other parts of the world.

It is not necessary to devote much space here to the mysteries of what is generally known as "high finance." Operations conducted on so vast a scale as these obey very few of the popular commercial rules. Each of these is itself frequently the herald of a new commercial and industrial situation, and therefore cannot be brought within any of the accepted everyday categories of the ordinary commercial ventures.

Neither do the ordinary loans to the respective Republics and States call for any comment here. It

is a platitude to assert that each of these issues must be judged on its own merits, and that if the respective financial reputations of the various Republics and States are not accurately known and carefully distinguished from each other by the financial authorities and their clients at home, it is high time they were. For it is not in the least necessary to possess an intimate knowledge of South American affairs to ascertain matters of this kind.

The banks, too, speak largely for themselves, and the situation of practically all these great institutions is known to those who care to take the trouble to investigate. As regards this branch of commerce, however, it may safely be said that Great Britain has no reason to complain of the position of those institutions of this kind which represent her financial interests. Indeed, were an attempt to be made to define the exact functions and operations of each of the British banks in South America, a larger volume than this would be required for that purpose alone. As to the number and names of these various British banks, a glance at any of the banking directories will demonstrate how very numerous are these institutions and how great is their importance.

As regards the situation of bankers, a specimen of this has been so ably put by the chairman of the Anglo-South American Bank at the general meeting of that institution in 1916 that I will quote a couple of paragraphs from his report:

"In the Argentine all bankers have had special difficulties, although the country has prospered. The enormous increase in currency produced by the heavy exports of recent years at high prices has produced a plethora of money, resulting in a great fall in the rate of interest, which is now below that current in England. The crops in general came up to expectations, but, owing to the difficulties in procuring tonnage to bring away the produce, the wheat export was slow, and

some has even yet not been shipped. . . . The exchange has risen to a price which is quite a record for recent years, being quoted at $49\frac{9}{32}$d. for cable transfers, after having been as high as $49\frac{7}{16}$d. per dollar. As you may know, in pre-war days the rate of exchange was adjustable by the import and export of gold, but to-day it is not possible to operate in that direction, and consequently there is nothing to prevent the value of the Argentine currency from following the course of trade without limitation. The result, unfortunately, is that a larger price has to be paid for our British importations, and it is to be hoped that some means may be adopted whereby this may be avoided. The commercial situation in Mendoza Province, which depends on the wine industry, has not changed materially since last year. For the first time a certain amount of wine has been exported from Argentina to France, and we understand that the result encourages a further trial."

Referring to the present prosperity of Chile, it was further remarked that—

"One result of this is the very great appreciation which has been witnessed in exchange. After remaining more or less stationary for a long time in the neighbourhood of 8d. per dollar, there has been a gradual, but by no means uniform, tendency to a higher level. During the last month or two this upward tendency has been accentuated, and to-day we see the rate at $10\frac{13}{32}$d."

A similar condition of affairs to this may now be said to prevail in numerous States of South America, to whom the tragedy of the war has brought not a few opportunities of prosperity instead of the ruin which at first was anticipated in so many quarters.

So far the British have taken a comparatively slight interest in the advancing of money on the security of South American land—slight, that is to say, in proportion to the very important transactions carried on in this respect by the Belgian and other houses. Nevertheless, the South American mortgage business would

appear to have yielded excellent results to those who have interested themselves in it. In normal times advances representing half the value of the mortgaged property have given a return of from 7 to 10 per cent.

Seeing that the solid land is there as security, an investment of the kind cannot fail to be extremely advantageous to those who have the benefit of really sound advice. A certain amount of private business is effected in this way, and this is undoubtedly extremely profitable. At the same time it is clear that no one should dream of attempting it unless he has the services of an agent whom he has every reason to believe that he can trust implicitly. Otherwise, even his 10 per cent. may cost him very dear!

The British insurance enterprise in South America has been considerable, and the agencies of the various British companies are now spread fairly widely over the continent. In this particular branch of commerce the results would seem to have justified the expectations, and the promise of the future is, of course, still greater.

The majority of the Republics take care to safeguard the interests of the insured against any possible predatory instincts on the part of the companies. In order that these latter should render financial hostages for their equitable treatment of the insured, they are obliged to invest a certain amount of capital in the country in which the branch has been established.

This is generally effected by the companies by the purchase of real estate, whether in the town or country, but generally in the former, as it is almost invariably convenient to purchase the building, or a part of the block of buidings, where the local office is situated. As the price of land has tended to rise in almost every South American district, and in some cases has mounted in value to an astonishing degree, this procedure has in the main proved exceedingly profitable to the companies concerned. Indeed, the curious spectacle has

frequently been afforded of the concern adding to its riches by the laws of the country in which the new branch has been situated—not that this was the primary object of the legislation !

The actual reason for this, of course, has been merely to retain a hold over the company, and to obtain a convenient source of legal damages if the latter should become involved.

It is important that the difference between the affairs relating to the Federal and Provincial Governments of the various Republics of South America should be understood not only by those intending to set out for the Southern continent, but by those who are prepared to invest money in its enterprises.

From the investor's point of view the situation is apt to be somewhat confusing. He may, for instance, hear the most favourable account of the financial integrity of a certain Republic, and he may nevertheless be warned against buying bonds issued by one of its provinces. The fact is that the degree of autonomy in the scheme of provincial government of many of the Republics is such that it is possible for a province to bear a bad financial reputation even in a first-class country, and, on the other hand, it is even possible for the credit of a well-managed province to stand high, though it may be situated in a Republic whose borrowing powers are at the very lowest ebb.

Generally speaking, however, it stands to reason that the Federal investments offer far greater security than the provincial. Indeed, there is more than one notable instance of foreign investors having suffered financial disillusion and disaster from too great a confidence in the financial integrity of some of the provinces of most reputable Republics. In such cases pressure is sometimes applied to the defaulting province by the Federal power ; at the same time, it must be understood that this latter, in the majority of cases, has no constitutional authority to intervene, and such action as it

may take is only for the sake of its own good name and credit.

We may now take a somewhat abrupt descent from these high realms of politics and finance to a subject of more general, and at the same time more intimate, interest.

There is undoubtedly a great opportunity for hotel enterprise in South America. With all his virtues, the South American has never shown himself an adept in the art of hotel managing. This is scarcely to be wondered at, when the traditions are considered that he has in part inherited from his Iberian ancestors.

The Spanish hostelries, even of the earlier part of the nineteenth century, were unique in Europe. One gathers this from the records of many travellers, but more especially from the pen of that most fascinating writer, Richard Ford. In his *Gatherings from Spain* you may obtain a graphic picture of the establishments that at that period lay at the sunny sides of the Spanish roads, and that rather reluctantly consented to tolerate the travellers that fate—and mules or horses—brought to their doors. The old-time Portuguese inn, moreover, although rather less dignified and more accommodating, was anything but a model of what, from a modern point of view, such institutions should be.

It is true that this particular type of caravanserai does not seem to have been translated from the Iberian Peninsula to the New World. At the same time, the older-fashioned hostelries of the latter continent have always been of a rather primitive order, and in many of the remoter districts this condition of affairs still obtains. Should you happen to strike upon a small township in one of the less advanced Republics when the place happens to be crowded, it is by no means improbable that you may be told off to share a room with half a dozen others of every shade of social standing and cleanliness, or the reverse.

It is a test of democracy that is apt to be a little

trying! No sympathy, however, is to be expected from the landlord, who is apt to be very reluctant to accede to a request on the part of the traveller that his slumbers should be separated from those of what he alone is pleased to term the common herd. If good *Cristianos* are not fit to be associated with, the landlord will argue, then who is? Even the offer to pay for the entire room and for all the beds in it is usually of very little use. The verdict of the landlord is that, although you may pay for seven beds, you cannot eat seven meals, and that therefore your single custom is less profitable than that of the rest put together. Besides, he will add, with no little reason, why should he offend seven good customers for the sake of a passing traveller?

I have interpolated all this merely to show the sort of accommodation that may be met with off the main track, and to emphasize the fact that among the many gifts to which the South American may with good cause lay claim, that of running a hotel on the comprehensive and subtle lines that are now a feature of the art does not claim a place.

It is the fashion to assert that the British cannot run a hotel in so satisfactory a fashion as is the peculiarity of many foreigners. This may or may not be the case. Certainly, in so far as hotel enterprise is concerned, the British have never shown themselves backward, and in South America they are very much to the fore in this respect, although it must be said that the actual managers of many of their establishments are Swiss.

It seems to me that it is essential, in connection with this enterprise, to remember that the South American of the wealthy classes is now essentially up to date—at all events, in the great and flourishing Republics of the South of the continent. He has learned to appreciate such classic erections as Claridge's, the Ritz, Carlton, and Savoy in London, and in Paris he patronizes that type of hotel of which the Majestic is probably the latest and most gorgeous. He is now demanding

establishments of this kind in his own continent, and in some towns he already possesses them.

The enterprise, of course, is merely in its infancy, and it is certain that the number of promising situations for a first-class hotel in South America is unique in the history of that industry. The rapid spread of the railway lines, it should be said, is assisting the demand for hotels in general in a double sense. For not only are the new systems opening up fresh districts that immediately become in need of comparatively modest hotels of their own, but—at all events so far as the South of the continent is concerned—the improved travelling facilities have the effect of bringing a fresh influx of people from the provinces to the great railway centres, and thus creating a demand for greater accommodation in those places.

It is, of course, quite safe to assert that hotels and restaurants are destined to play a greater part in South America in the future than in the past! That probability clearly applies to almost every part of the world. But in South America there is a reason for this beyond the mere questions of the increase in population and wealth.

It is only within the last twenty years that the South American woman of society has begun to emerge for social purposes from the comparatively close preserves of her own house and the establishments of her intimate friends. Until that time she had yielded to Iberian tradition to the extent of seldom or never appearing in public at restaurants, or even at hotels, when it was possible to avoid it. This prejudice has now completely disappeared, with the result that the hotels and restaurants are reaping the benefit of a very profitable amount of additional trade.

Those who are experts in the hotel world will doubtless understand that, so far as the majority of Republics of South America are concerned, it is far safer to initiate an enterprise on a completely modern and lavish scale than to speculate in a less pretentious and comparatively

THE LEMCO WHARF AT COLON.

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modest establishment at a lesser cost. It would be highly unwise to attempt to lay down the law on any subject such as this, or to attempt to generalize concerning it; but it may be taken for granted that in the leading cities of South America any enterprise that is not conducted on up-to-date lines will have very little more chance of success than it would have in London, Paris, or New York.

The question of clothes in South America is becoming a more and more important one. In the progressive Republics of the continent no little enthusiasm is now shown in the endeavour to cope with—and if possible to be a little in advance of—the fashions of London and Paris.

Before the outbreak of the war it was no uncommon thing for Parisian dressmakers to undertake a tour of all the principal cities of South America and to sell garments and receive orders to an extent which, at all events on the surface of it, could not have been otherwise than very remunerative.

As South America depends on Paris for its ladies' fashions, so does it look to London for the clothes of its men, and to a somewhat lesser extent some of the leading London tailors had already begun to adopt the idea of sending their representatives to the various large towns.

The chief South American centres for the trade in both male and female clothes, it need scarcely be said, are Buenos Aires, Rio de Janeiro, Santiago, Montevideo, and, to a certain extent, all the important cities of the progressive Republics of the South.

The opportunities which offer in these directions are undoubtedly enormous, as large indeed as the profits which would seem to be made by the costumiers and tailors in the Latin continent itself.

In this respect these clothiers of mankind would seem to be much on a par with the doctors in the Latin continent; for so high are the average charges that

the South American frequently finds it cheaper, if anything in the nature of an operation is concerned, to take steamer to Europe, have his complaint attended to there, and to return to the Southern continent.

Something of this condition of affairs exists in the world of clothes, although here the high duties placed on imports of this kind in the Southern ports play their part in the situation. It is for this reason that the South Americans are accustomed to purchase such enormous quantities of clothes, boots, and similar articles when in London and Paris.

An enterprising representative of these branches of industry, however, were he prepared to take a conscientious tour of the continent and to branch out from time to time from the main arteries of society into some of the larger provincial towns, would undoubtedly reap enormous financial benefit from his venture.

I have referred in another book to those enterprising British manufacturers of more than a century ago who, when the trade and the ports of Brazil were first opened up to general commerce, sent a consignment of skates to Rio de Janeiro in order that the Brazilians might have an opportunity of skating—on such ice as the intense heat of the subtropics and the tropics permitted!

But it does not follow that, because there is no ice in Brazil, there should be none in any part of the continent. Ice, as a matter of fact, is to be met with in inconveniently large quantities in the far South, where the climate is far colder than any that is known in Great Britain. Even in Central Argentina the temperature in winter entails the use of fires and stoves, and it should be remarked that furs of all kinds are very popular, and are much worn by the ladies of Buenos Aires and elsewhere at this period. There is no doubt, indeed, that the market here for furs is an important one, and is worthy of considerable attention.

The importation of boots into South America is yearly growing more important. Notwithstanding the im-

mense quantities of leather produced in the various parts of the continent, there are very few bootmakers in South America who lay themselves out to supply the needs of the wealthier classes, who are naturally more ambitious in their style of footwear than the labouring classes of the community. In the majority of the South American Republics the proportion of heavy boots worn is very small indeed, and even in the pastoral countries, such as Argentina, Chile, Uruguay, and Paraguay, the boots worn by the Gauchos and their brethren of the saddle are very light, occasionally almost to the point of flimsiness.

This applies, too, to many parts of Brazil, and, indeed, to the general run of the communities throughout the continent where the warmer climate prohibits too heavy a species of footwear. The United States is the most important exporter of boots to South America. Other countries concerned in this trade are France and Switzerland, Great Britain being content with a comparatively insignificant share of the supplies.

In these products the American imports appear to be the most costly in price and to enjoy the highest reputation for quality. At the same time, it must be said that a great number of South Americans visiting London lay in a stock of expensive boots just in the same way as they purchase their clothes. In the high-grade qualities, therefore, a larger trade is done than appears on the surface of affairs, but as regards other qualities the British share, as has been stated, is very small. A certain number of boots are made in Brazil, where, by the way, the footwear is apt to be somewhat florid in style.

Perfumery constitutes one of the most important articles of its kind in South America. Indeed, the Latin American is largely addicted to the use of scent, and the figures which are occasionally given to show the quantity and the cost of this squirted about on the occasions of the Carnivals alone are purely amazing.

France, the home of the finest perfumeries, has naturally the largest share of this trade, and in 1912 her proportion of the imports to Argentina was nearly 75 per cent. of a total of almost £300,000.

In Brazil the figures are probably considerably in excess of this, although definite statistics on this point do not seem available for the entire Republic.

Some idea of the great volume of this trade, however, may be gleaned from the fact that the State of São Paulo alone imported nearly £100,000 worth of perfume in 1913.

No other of the South American Republics is in a position to compete with figures such as these. At the same time the demand for perfumery is a sufficiently important one throughout the continent. Venezuela, for instance, has imported more than £20,000 worth during the latter years, while Colombia is not very much behindhand in this respect. The countries, however, which follow Argentina and Brazil most closely are, as might be expected, Chile and Peru.

There is one final topic which may well be broached before this particular section of the volume is concluded. The question of exhibitions is one which has of recent years attained to greater importance in South America than ever before. It seems by no means unlikely that this particular species of aid to commerce will be extended in the near future. It is certain that the influence of the Argentine Exhibition of 1909, and of the Brazilian Exhibition of a year or two later, was very considerable on the various industries. In both these Exhibitions it may be said that the part played by the British was sufficiently important, and, indeed, the work achieved by the British railway companies in the Argentine Exhibition was of a most notable description.

Before the outbreak of the war there were many suggestions for new endeavours in this direction, among them having been the plans of more than one floating

exhibition. In order to effect this it was proposed to charter a vessel of large size and to send it to all the principal ports of South America laden with specimens of the products of the various British industries.

If an enterprise of this kind were well conducted, there is no doubt that the benefit it would confer upon British commerce would be enormous. On the other hand, it is sufficiently clear that any attempt to carry out any such venture on a secondary scale must end in a complete fiasco, as indeed has before now proved the case with two or three enterprises in South America which were conducted on a modest scale, with the idea of benefiting merely some small sections of the general British industrial community.

One of these which I have especially in mind was remarkable for the type of goods it exhibited, which were of a cheap and unattractive order. Needless to say that this did not make the least appeal to a very wealthy country, the inhabitants of which asked nothing more than to be allowed to buy the best article that was made, quite irrespective of the price which might be charged. It is true that the financial situation of South America is in some respects not quite what it was a dozen years ago. At the same time, it still ranks as one of the most intrinsically wealthy stretches of country in the entire world, and it is unlikely in the extreme that the South American in the near future will fall away from the high standard of prices and quality to which he has become accustomed.

It would seem that at the conclusion of the war the impetus which the strife has given to British manufactures might render it possible, and even advisable, to hold an exhibition of British-made goods, which might conceivably be held in more than one of the large centres by the simple means of transferring the exhibits from one of the great ports to another. This is the more feasible as nearly all the largest and most notable of the South American commercial towns are situated

on the seacoast. The range of these cities is astonishingly large, and includes such important towns as Buenos Aires, Rio de Janeiro, Valparaiso, Montevideo, Lima, and half a dozen others of the first order.

It has been a source of some surprise to many people that the more progressive South American Republics have not followed the enterprising example of our own Dominions in establishing agencies in the leading cities of the world where their products may be displayed. I have put this suggestion to more than one of the Presidents of the South American Republics, and it has in general been favourably received, although on one or two occasions the remark has been laughingly countered with the suggestion that the South American Exhibition of the kind was sufficiently patent in the vast cargoes of meat, cereals, and varied produce which were continually arriving from the continent at the European ports. This, of course, is true enough, although it does not, from my point of view, detract from the additional advantages offered by these little permanent exhibitions that never seem to fail to attract public attention.

CHAPTER XIII

MERCHANDISE AND COMMERCIAL TRAVELLERS

The commercial traveller in South America—Questions of licences and taxation—Differences in this respect between the Federal State and the provinces—Expense of living in South America—High prices not necessarily a disadvantage to the commercial man—Some axioms in trade—South America as a continent of rapid changes in customs tariffs and commercial regulations—Some characteristics of the South American purchaser—Travel facilities in South America—Modern extent of the railways—Some international routes which are now possible—Questions of invoices and local currency, weights and measures—Advantages of employing the latter—Some appeals for the display of greater enterprise in British trade—Quotations from Consular Reports having reference to this.

THE commercial traveller who sets out for South America must find himself prepared to meet with many conditions that are new to him. Not the least important of these is that he must submit to be taxed—in fact, he must pay for the privilege of being what he is! In a market that is as profitable as that of South America, this circumstance certainly need be productive of no discouragement; but it is, of course, advisable to find out before starting the amount of the toll levied in the various Republics and provinces.

This is occasionally apt to suffer rapid and drastic alteration. For instance, until 1917 the tax in Argentina, so far as Buenos Aires, the Federal capital, and the National Territories were concerned, was 500 pesos, and, in addition to this, each province levied its own tax. In 1917, however, the rate for the Federal capital and the Territories was raised to 5,000 pesos, that is to

say, to an amount ten times as much as that which formerly prevailed.

In matters such as this it is important to remember that the constitution of all the Latin American Republics allows a large measure of autonomy to the provinces. Speaking generally, it may be said that a province of one of these nations is in a sense quite as self-contained as the Republic to which it belongs. A casual inquirer might well be satisfied with the information that the tax on commercial travellers in Argentina was 5,000 pesos. Not until he left the city of Buenos Aires would he discover that he had got outside the Federal area, and that, say, the province of Entre Rios was politely presenting its bill for welcoming him in his official capacity as a commercial traveller. In the National Territories, on the other hand—which are the less important and rather sparsely populated areas that have not yet attained to the status and dignity of a province—it will be found that the Federal authority holds good, and that his original contribution will cover his itinerant operations.

A similar condition of affairs will be met with in every Republic. It is particularly marked in Brazil, where many of the provinces—or rather States, as they are called here—are so large as to constitute in a sense countries in themselves, and where the respective laws and regulations differ widely in many cases.

South America is undoubtedly an expensive continent to live in, and, in consequence, is a still more expensive continent to travel in. I think that I have had occasion to remark before that any one who sets out for one of its Republics with the object of making money should abandon the habit of thinking in pounds, shillings, and pence. Otherwise, unless he be a capitalist, he will find himself weighted down beneath a load of greying hairs and a haunting fear of imminent financial disaster.

High prices, as a matter of fact, should be the last

consideration to deter the commercial man. It is surely one of the first axioms of trade that money is most rapidly made in those spots where the cost of the necessities of life approaches that of the luxuries elsewhere. This has been made very clear at one period and another in some of our own colonies, and was, perhaps, most forcibly demonstrated in Johannesburg some twenty years ago. There, an egg, deposited by a most ordinary and plebeian barndoor fowl, might have cost half a crown. But half-crowns were so plentiful that, even after one of these rare and curious eggs had been bought, there were other coins left. And so it was—and it remains true of many parts of South America to-day—that half-crowns were saved where sixpences would have been put by in countries where living is cheaper.

There is probably no other continent where the changes in industrial and commercial affairs are more frequent and more rapid than in South America. This condition of affairs is not necessarily due to any want of stability in the respective Governments and financial situations. It is due largely, in fact, to the progress which is continuously being made, as well as to the love of experiments which represents an important feature of the Latin American temperament.

In any case, these continuous changes render it strongly inadvisable for the merchant or manufacturer on this side to take too much for granted. The amendments are specially noticeable in the customs tariffs and in the regulations affecting Consular invoices and the various taxes levied on agents and commercial travellers, as has already been said. If entire accuracy concerning these points be desired, it is essential to obtain quite the latest sets of documents explaining the situation. Even then it is wiser to apply to the Consuls concerned in order to ascertain whether they have received notice of any subsequent amendments.

Without attempting to become involved in the actual

conduct of the commercial traveller's business with his customer—which is entirely his own affair—we may refer to one particular set of circumstances the possibility of which cannot fail to be of interest to him.

A point which has been raised more than once is the difficulty which occasionally occurs in persuading the South American buyer to accept delivery of the entire amount of the order which he has given. It is true that this is not of frequent occurrence. Nevertheless, it happens more generally in the Latin continent than in Great Britain, and in those different places where this disconcerting phenomenon is most frequent it may almost certainly be found to arise from the same cause.

The South American is enthusiastic by nature—if it be permissible to generalize to this prodigious extent—and it is owing to this trait in his temperament that a certain number of his business representatives are more or less at the mercy of the commercial traveller with a persuasive tongue. Thus it happens that one of these commercial men may in all honesty give an order, stirred by the optimistic vein of the moment, which later reflection will show him to be largely in excess of his needs. The average Englishman, on discovering this, would write to his salesman, instructing him to reduce the amount ; but the average South American is loath to do this—largely, it must be admitted, because he dislikes performing an unpleasant action a moment sooner than it is absolutely necessary.

As a result, the evil hour is frequently postponed until too late for the salesman's peace of mind, and it is then necessary to enter into some compromise, which is usually detrimental to the profit of the transaction. Needless to say, this kind of occurrence is not frequent in the populous centres. At the same time, it is as well for the commercial traveller who has had the enterprise to strike out into less trodden fields of the smaller Republics to sound his customer in a diplomatic fashion concerning his actual needs—or at all events to refrain

from pressing him to increase his order to an extent which may seem unduly ambitious.

There is no doubt that the field of the commercial traveller in the Latin continent is widening in a striking fashion. The rapidity with which railway facilities in South America are extending is amazing. This will be evident when it is realized that it is possible now to journey from Peru to Brazil by rail. It is true that the route which must be followed to accomplish this is a most devious one; and the length of the journey actually exceeds 4,000 miles.

In order to accomplish this one may start from Cuzco, and by means of the various sections of the longitudinal line which are now pieced together, may proceed to the south as far as Valparaiso in Chile; after this the route is altered directly to the east by means of the Transandine Railway, which makes possible the route from Valparaiso to Buenos Aires. From Buenos Aires the road strikes out to the north through Uruguay, entering Brazil at Rivera, whence the journey is taken up by the Brazilian railways by way of São Paulo and Rio de Janeiro.

There is an alternative way to this latter section of the route, and this is effected by way of Buenos Aires, Rio de Janeiro, and Asuncion, in Paraguay. Instead of proceeding on the main line to the Paraguayan capital, however, the Uruguay River is crossed by steam ferry and Brazil entered at Uruguayana, whence the railway service reaches the important Brazilian southern towns.

We may now, abandoning locomotion for the time being, approach one or two points which have already received a good deal of attention of late, but which even now do not seem to be sufficiently realized by many sections of the manufacturing and commercial communities.

It cannot be too strongly urged that invoices should be made out in the currency and weights and measures of the country to which the goods are destined. This

point has been frequently remarked on by those who have been fully acquainted with the commercial situation of late years. But the number of merchants and manufacturers on this side who have abandoned their time-honoured practice so far as South America is concerned is comparatively insignificant.

The importance of this matter may be estimated by transferring the situation in the imagination to our own country, and supposing ourselves the buyers instead of the sellers of all the produce concerned. Now, if a precisely similar article were offered us at the same price by two different people, it is clear that it would take very little indeed to turn the scale of an order in favour of one or the other of those who were competing for it. Supposing, further, that the one offer were framed in pounds, shillings, and pence, and that the other were put in some currency that we did not understand, would not this point suffice to turn the scale? In nine cases out of ten one may be quite certain that it would—and if the tenth did not fall into line with the other nine, it could only be that the man concerned was influenced by some sentimental reason, or that he was one of those rare specimens of humanity who willingly give themselves more trouble than is necessary.

Putting the latter contingency aside as somewhat unreasonable even in a world that Carlyle insisted on peopling largely with fools, we are left with the very doubtful power of sentiment as the sole anchor by which this time-honoured system may hold good. And it is perfectly clear that he who depends on sentiment—purely benevolent sentiment—on the part of others for the furtherance of his affairs is making ropes of sand in a fashion worthy of the most enthusiastic devotee of Colney Hatch.

The British sovereign has always commanded an intense and well-deserved respect throughout the world, and owing to its great influence there have been times when we have been enabled to insist with

impunity upon the terms of our own currency and our own weights and measures being employed in our relations with South America. But this was at a time when we possessed almost a monopoly of the trade of that continent—a condition that even the most sanguine cannot pretend to have existed during the past quarter of a century.

There are many sources from which the currency, weights, and measures of the various Republics may be obtained; but, in order to present them in a compact and comprehensive form, I have included them in a later place in this volume.

A glance through the Consular Reports referring to South America during the past few years will show that the Consuls, where they have seen fit to make any remarks at all on the subject, are practically unanimous in their views concerning the awakening of a more enterprising spirit in the British trading ventures in the Southern continent.

The following half-dozen extracts, which I have taken more or less at haphazard from recent Consular Reports, will illustrate what I mean:

No. 5146. Colombia.

"Woollen suitings are largely imported from France, Germany, and Belgium, where manufacturers are willing to supply suit lengths. As firms in the United Kingdom have hitherto refused to make this concession, the imports of this commodity from home have not been large. Nevertheless, there was a fair quantity of suitings imported from the United Kingdom last year, and it is possible that when experience proves that British-made cloths are very durable the consumption will increase."

No. 4904. Colombia.

"I think a larger trade could be done with this Department if British manufacturers or exporters would only

pay some attention to issuing their catalogues in Spanish. I am convinced that quite a considerable share of the trade goes to the other countries who send out attractive catalogues or booklets written in the language, whilst English catalogues are at once relegated to the waste-paper basket on account of not being understood."

No. 5451. Brazil.

"The need for local representation cannot be too strongly urged upon British firms trading or desirous of trading with Brazil. Numerous instances could be cited of foreign firms whose business success in this country has been entirely due to the intelligence and ubiquity of their representatives."

No. 5458. Argentine Republic.

"The present moment offers a unique opportunity for British trade. It is an opportunity that can easily be missed. The dangers, according to my appreciation, are two—failure to grasp the local situation and failure to appreciate the activity of the most formidable competitor that remains.

"As regards the local situation, owing to the trade depression only very limited orders have been going abroad for some years past. There has been lack of ready money in the market. A revival is only a question of time. Importers are already beginning to throw out feelers with a view to future orders. Inquiries as regards identical goods, hitherto imported from Germany, are being sent to British and American houses. These feelers are taking the form of calls for tenders, or the sending of orders on a very small scale. They look insignificant, but will, in many cases, be the bases of permanent business connections in the future.

"As regards competition, this market is going to be a scene of keen competition between the United Kingdom

and the United States. The Americans are showing great activity, and will get the market if it is in any way possible. From what I have seen so far, the American policy will be to win on the question of prices. American houses will sacrifice profits, and, where necessary, even sell under cost price, to get the initial footing.

"I would therefore impress on British houses the following two essential points:

"Do not despise small orders. Treat the £100 order with the same respect as if it was for £100,000.

"Use extreme caution when quoting prices. They should be the very lowest terms that your business can possibly stand. There should be no question of how much you can get, but of how much you can sacrifice in order to secure the customer.

"I have just seen two test orders, small but vitally important, lost by the United Kingdom to Pittsburg, United States of America. There was a wide difference in the prices quoted, the qualities in each case being identical. I have also learned that the British firms concerned could have made lower quotations. They were, however, under the impression that they were safe from American competition. They did not quote their lowest possible prices. They quoted what they thought would be just below the lowest American quotations. It was not a sincere effort and they lost the business. Both the orders were for goods hitherto supplied from Germany—iron beaming and galvanized iron sheeting."

No. 5156. Venezuela (Maracaibo).

"There has been a considerable increase in the imports of all kinds of machinery, and it should be mentioned here that customers in this district prefer British machinery to the cheaper American productions, but as the facilities for communication with the United States are much better than with the United Kingdom, British

manufacturers should send representatives to get into direct touch with the customers, who are principally planters in the interior."

No. 5024. Uruguay (Rio Negro).

"As far as one can judge by personal observation, goods of British origin are not very much to the front, such things as earthenware, china and glass, ironmongery, brushes, cutlery and tools being mostly of somewhat inferior continental or North American make, but there is no reason, unless it is the higher cost, why British articles of good quality should not find equal acceptance."

CHAPTER XIV

OCCUPATIONS OF THE BRITISH

Situation of a British subject proceeding to South America in search of employment—The "Loco Inglez"—His personality as pictured by the South American mind—Early records of the British in South America—Occupations first undertaken by these after the declaration of Independence—The eventual discovery of the most fitting walks of life—The question of the most suitable present-day occupations for the British in South America—Types of men who are not suited to the continent—Pastoral occupations—South America no place for the unskilled British labourer—Occupations of the town and of the country—The openings in the mercantile community—Possibilities for the engineer—Occupations on the land—Life on the estates of the Southern Republics—The Mayor Domo—A description of his life—Present-day relations between capital and labour in South America—The trend of private firms towards amalgamation—Gigantic scale of modern enterprises—The effect of this on the meat trade and elsewhere—The opportunities farther afield.

HAVING considered some aspects of the use of British capital in South America, and a few of the very numerous circumstances which concern the British manufacturer and merchant who have business relations with the Southern continent, we may take the case of the Britisher who sails South with the idea of obtaining employment in one or other of the Latin Republics, or, as is infinitely wiser, who has made arrangements for a billet before sailing.

He will form one of a very considerable army that has been at work now in South America for well over a century. The South American in the first instance looked upon him with a considerable amount of sheer amazement. For generations he was known as the

"Loco Inglez," or the "Mad Englishman." He commanded respect, but at the same time much astonishment. As regards the South Americans, we may do away with the slightest necessity for argument by admitting without any delay at all that no doubt the "Loco Inglez" was, and is, occasionally something of a curiosity as human products go. After all, it is better to admit such things freely and with haste, before the confession is extorted by some one else!

It is my present object to try and claim some good reason for the existence of the "Loco Inglez" in South America—I mean some good reason beyond what is alleged, by some of the inhabitants of that continent, to be his natural inclination to walk in the sun when all reasonable people stroll, or sit, in the shade! The task should not be difficult; for, after all, the history of a century and more has a good many of these reasons to show.

There have, of course, been some salient examples of the "Loco Inglez," such as Ambrose O'Higgins, Cochrane, Miller, and a certain number of others of their type. But it is not to such as these that I would refer at this particular moment. The "Loco Inglez" that I have in mind is a much humbler and less gifted person than any of these. He is the one who sails out from Great Britain to Latin America in order to take up some junior position in a railway company, in a commercial office, on the land, or in any other capacity of the kind.

He has his weaknesses and his eccentricities, of course, and sometimes it is plain that he is endowed with the more sterling rather than the polished attributes of humanity. But I think that I can claim for him a fairly clean commercial, political, and moral record. The history of the British in republican South America does indeed seem to reveal the fact that, as an immigrant, the Englishman may be relied on to refrain from intrigue and from interfering with political matters that do not

concern him. It is certain that in the necessarily unsettled conditions that followed the liberation of the continent the British who found themselves on the spot refused opportunities of making political mischief—and of reaping some ill-gotten material profit to themselves—such as people of a more intriguing national temperament might well have failed to resist.

The early records of the British in South America are convincing on this point. There is no doubt, on the other hand, that for the first few years after Independence the attitude of many of the British settlers was, from certain points of view, a mistaken one. They were inclined to make the scope of their energies too wide for the natural conditions of the continent. I have already referred to this particular subject in another work; but some of the matter may well be introduced again here.

It was natural enough that they should have served as doctors, miners, and as hotel, eating-house, and reading-room proprietors. They were to be met with, too, as laundry-folk, market-gardeners, shopkeepers, artisans, and coachmen. They founded periodicals in Spanish as well as in English, and in the countries of the Rio de la Plata they frequently served as the crews of the river steamers.

Scarcely had the Spaniards been driven from Lima—and, indeed, before they were expelled from Callao—when one reads in the chronicles of those days of Walker's Hotel near the Church of San Agustin, in Lima, as well as of Oliver's Hotel in the same town. In this last building, by the way, a British naval chaplain has placed it on record that he married one of the first English couples to undergo that ceremony in Spanish South America.

These particular occupations were well enough in their way, but so enthusiastic was the general enterprise at that time that in 1820 a colony of Scottish milkmaids was introduced into Buenos Aires in order that

the use of butter might be encouraged in that place. The Scottish girls, after some difficulties produced by the wild state of the cows, eventually produced a considerable quantity—only to discover that the preference for oil which prevailed at the time remained quite unshaken.

There occurred a very great number of mistakes such as this before the British discovered the particular vocations in which they could be of the chief use in the Southern continent. And by the time they had discovered this they had discovered another thing—that they had developed a very real affection for their adopted countries, into the manners and customs of which their personalities were rapidly becoming assimilated. But here I will permit myself the luxury of quoting from the former work referred to:

"It was at this period, of course, that so many of them ceased to be 'Locos Ingleses'; for these developments caused them to lose intimate touch with the land of their birth. The process was gradual and imperceptible, and its conclusion invariably saw the man a devoted citizen of the Republic whose soil he now claimed as his own. As for their sons and grandsons, they had no doubt—nor even any consciousness of doubt—in the matter: every breath that they drew was Latin, and very rightly Latin.

"It was here that the secret lay—the key to the situation which had not been grasped by any Anglo-Saxon foreigner in the very first years of the period of Independence. South America, being essentially a Latin continent, had to develop on Latin lines. There is more than one road to an advanced civilization."

"When it had become plain that these new States did not intend to adopt the full Anglo-Saxon ideals, or, to be more accurate, did not intend to adopt them to a greater extent than they considered fitted in with their own atmosphere, it must be put to the credit of the British that they realized the appropriateness of the

choice, and set themselves contentedly to fill those particular rôles which the exigencies of industries, politics, and temperament allotted to them.

"Thus in the course of time the number of British shopkeepers, officials in the pay of the various Republics, and other persons whose occupations gradually became more or less superfluous, diminished, while on the other hand the demands of the finance, transport, wholesale commerce, and the land attracted an ever-increasing flow of men of this nationality.

"It is to these particular spheres of utility that the 'Loco Inglez' has chiefly been recruited. He has been at work now for over a hundred years, and on the whole he seems to have attracted remarkably little notice. Now, I think that you will agree with me that this is the finest testimonial that he can expect. After all, what does it mean? He has followed on with his work calmly from one generation to another, living at peace with his neighbours and fitting into his rightful place in the country. Surely this is not claiming too much for him! There may be some who will maintain that it is too little. But in these days, when the world-wide ramifications and intrigues of the enemies of democracy are being revealed, it is surely sufficient."

The question of suitable occupations for the British in South America is a very important one. Indeed, if the reader will pardon a personal interlude, I should like to introduce this subject by an apology to those numerous correspondents who have done me the honour to write to me asking advice on this subject, and whose letters have remained unanswered owing to the fact that I was many thousands of miles distant from England at the time of their arrival.

Opinion is by no means unanimous concerning the advantages of setting out for South America in order to seek employment. I have had to emphasize before now the urgent necessity of not considering that continent in the light of a British Colony, and of setting

sail for one of the Latin American Republics armed only with a stout heart, strong arms, and the species of knowledge which would suffice for a man when thrown into the company of his own compatriots.

Imagine a Southdown, Devon, or Cumberland shepherd sallying gaily off to Spain in order to make his livelihood in the pastures of Andalusia, urged there by the knowledge that he was a thorough master of his craft! It is true that in the live-stock regions of South America the case is not so extreme as this, for in the temperate countries of the Latin New World the immigrant is accepted in bulk and taken as a matter of course. Nevertheless, to uproot a man of small education from his own surroundings and to place him without further ado among people of habits that differ widely from his, and whose speech he cannot understand, is to leave him as gasping and bewildered as any fish out of water.

It may be laid down as an axiom that South America is no place for the ordinary British artisan and labourer—that is to say, it would almost certainly be disastrous for him to proceed there as a freelance on the off-chance of something turning up after he had arrived. Where his labour has been engaged beforehand the case is, of course, very different. The industrial history of the continent shows that this has occurred most frequently with Cornish miners, who have arrived in sufficient numbers to form their own communities, and who are thus to a certain extent independent of their surroundings so far as society is concerned.

Such experts as cattlemen and shepherds, too, have come out by arrangement in considerable numbers to the countries of the Rio de la Plata. Indeed, so far as the Irish are concerned, an influx of this kind has been going on for over a century now, and these immigrants may be said to form an exception to the general rule, their relations with the South Americans in the past having been greatly assisted by a common religion.

Many of the descendants of these first immigrants are now extremely wealthy men, counting not a few millionaires amongst their number.

Even such examples as these, however, do not affect the soundness of the principle that South America in general is not suited for the British working man who proceeds there on his own initiative and responsibility. In no class of life whatever, as a matter of fact, is it advisable for one who wishes to make a career in South America to proceed to that continent without having made some preparation and acquired some knowledge beforehand of what awaits him in the land that he has chosen unseen.

As to the precise occupation which the average Englishman may take up in South America, the nature of this may in the first place be marked off into broad divisions. He may elect to work in a town, or he may choose to occupy himself on the land, or in some other calling which implies a country life.

In considering the various prospects of these, I am leaving entirely out of consideration for the present those belonging to the labouring classes; for, as I have already endeavoured to point out, these should on no account set out for the Southern continent unless by special arrangement and under special conditions.

As regards the towns, the new arrival will find his opportunity in billets in such institutions as banks and mercantile offices, where he will work under conditions very similar to those which prevail in his own country. It is true that he will be allowed a greater degree of general freedom. Thus, the conventions of South America allow smoking at all hours at all places, even in the most imposing offices, and, indeed, the atmosphere in general is far more free and easy than that which obtains in Europe.

He will find himself, moreover, in possession of a considerably higher salary than any to which he could attain in the older countries. But, on the other hand,

as his living expenses will have mounted up to at least the same proportion, his actual gain from this will be done away with.

It may be safely said, indeed, that the new-comer to commercial life in South America need look forward to no startling financial success in his early days in the continent. It is not until he has acquired a really useful knowledge of the Spanish language, and can take advantage of the opportunities such as his experience will point out to him, that he can hope to begin to dip his fist into some of the piles of dollars that are undoubtedly still in existence in Latin America.

The process of arriving at this pitch is by no means so rapid as was formerly the case. In the progressive Republics the important development of the industries has brought into being an intricate state of affairs, such as has a discouraging effect on any rapid commercial rise. In the less exploited lands the opportunities of this kind are still as great as ever ; but here, of course, far more determination is required, for not only are there numerous discomforts and actual hardships to be endured, but to these are frequently added the dangers of an unhealthy climate and of primitive sanitation.

As regards the great stretches of territory outside the towns, probably the finest chances of all for one not possessed of capital are those which await a capable engineer with a good knowledge of Spanish. The sphere of his utilities is most certainly extraordinarily wide in South America, more especially in the mining and railway territories, although he, too, will have to put up with numerous discomforts and hardships in return for his opportunities of advancement.

There remains the land, and this occupation, which, so far as the Englishman is concerned, is confined to the Southern Republics, is, although strenuous, a sufficiently pleasant one. The remuneration is very slight ; but, on the other hand, free board and lodging is pro-

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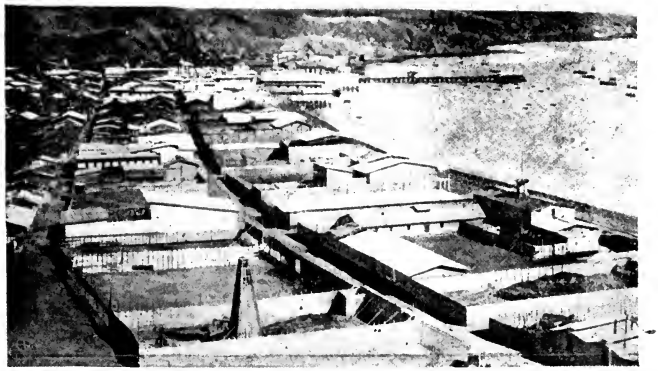

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vided, and, with experience, the opportunities on the land are not to be despised.

The following extract from a previous work of the author's will give an idea of the life of a manager, or Mayor Domo, in the Southern pastoral countries:

"The Mayor Domo plays an important part in the affairs of the camp. As manager, or rather as under-manager to a resident estanciero, he relieves the latter of much of the humdrum portion of the work—if the active superintendence of cattle work, harvesting, and the like can be known by such a term. It is his duty, moreover, to keep the books, pay the men, and attend to the thousand and one calls which the manipulation of a large property of the kind entails.

"Before he attains to this position it is necessary for him not only to have spent some time in the country; he must also have passed a considerable period upon the land itself, in order that he may have become conversant with the methods of the work and the habits of the peons as well as with the language. His life is agreeable enough, if strenuous. Compared with many a manager in the back-blocks of New Zealand the Mayor Domo is in clover. The former, for instance, as often as not, will know nothing of bread, milk, or vegetables. He will 'do for himself' as best he can at the end of a hard day's work, for the simple reason that there is seldom any one else to turn a hand to his aid. So his fare not infrequently will consist of cold meat, flavoured by milkless tea and ship's biscuits, and this without a break for day after day. In many respects the Mayor Domo is more fortunate. He has his moments of discomfort, of course, and his hours of early rising and of hard riding beneath a blazing sun, but he will at all events find his meals awaiting him in readiness upon his return, and servants at hand to attend to his bodily comforts. And this is a condition of affairs which is not always appreciated to the full by those who have experienced no taste of the far

rougher life that the backwoods of a British Colony involve.

"Not that the Mayor Domo's life is necessarily an ideal one. In many instances it is exactly the reverse. The general well-being or discomfort of his existence depends largely upon the individuality of his employer as well as upon the extent of his salary. The latter, as a rule, is a very small one for so wealthy a country as Argentina. There are instances, indeed, where the Mayor Domo's salary does not exceed thirty or forty pounds per annum. But then the post is—or is supposed and hoped to be—merely a temporary one in the life of a camp man. It represents a state of transition during which the aspirant to higher honours is approaching more remunerative and responsible office. As a matter of fact, that of Mayor Domo is a young man's billet. Should one observe an elderly or middle-aged man filling it, one will know him for what he is—one of the numerous and pathetic cases of failure."

Since these words were first written there has arisen very little need to amend them, so far as the Southern Republics of South America are concerned. As regards our own Dominions, on the other hand, it must be said that many of the essential discomforts of a pioneer's existence are already a thing of the past, even in the "back-blocks," where the motor now frequently glides in those places where, twenty years ago, the roughest of bridle-tracks held no more room than for a single horse.

As is the case in all the other quarters of the world, the South American industrial conditions are altering rapidly in two main respects. The strained relations which have cropped up between capital and labour constitute one of these. The other is the important change which is taking place in the operating of the various industries. The work which was formerly carried on by a number of private individuals is now becoming enlarged and concentrated at the same time.

Big companies have sprung into being, and numerous amalgamations have taken place in order to perform the work more efficiently, to avoid the evils of overlapping, and, incidentally, to maintain a larger margin of profit than could otherwise be expected. With respect to this, I may again quote a few paragraphs from a former work, which deal with the question of private enterprise and the modern groupings of capital:

"The question is one which has always been of vital importance for the new-comer in the continent to understand; that is, when the various chief centres become congested, nothing more is needed than to go farther afield. This has been proved on countless occasions, and it may be applied to almost every branch of industry in a major or minor degree—least of all, perhaps, to mining, where the question of transport becomes difficult, and which is, indeed, a branch of enterprise more adapted to public companies or to the important capitalist than to ordinary private enterprise.

"Of course, like every other continent, South America of late years has tended to grow at the mercy of the capitalist and of the large corporations and limited companies, somewhat to the prejudice of the interests of the small private investor who desires to conduct his own enterprise. This is inevitable, of course, when the increasing scale on which all things are now undertaken is brought into consideration. Thus, where before a few barges and sailing vessels sufficed for the navigation of a river, whole fleets of steamers are now necessary. And where before a man might own three topsail schooners, and with them carry on a fairly thriving trade on a capital of a few thousands of pesos, a few millions must now be expended to carry on a similar but infinitely swollen enterprise.

"It is the same, of course, not only with the mines, which demand the introduction of the modern, expensive, and complicated plant, but even in many districts in the case of land, which requires regular cropping and

the introduction of costly pedigree stock to maintain the high average of the cattle, horses, and sheep. And it is the same, moreover, with the industries of beef-killing and curing. In the old days an establishment of the kind might be carried on on a comparatively small scale, and, indeed, any small landowner might, by the investment of a few thousands of dollars, start some small plant of the kind, and be certain of a satisfactory demand for its sun-dried beef. But the number of these which now survive is extremely insignificant, for the more practical, elaborate, and of course costly, process of chilling has to a great extent done away with the original methods of curing and drying meat in the sun.

"Thus the introduction of the process of chilling meat was fatal to the existence of the small capitalist in the meat-curing industry, and, indeed, has entailed the introduction of world interests, including that of 'trusts,' with all their attendant complications, advantages, and drawbacks. The same may even be said of tobacco; for in some parts of the continent where previously the tobacco might be bought from the plantations and made up into cigarettes—which, although of no great importance commercially, sufficed to keep the owner and his hands in comfort—trusts have again stepped in and are fighting battles with other important combines, in the course of which the original owners of cigarette manufactories were of course squeezed out of existence and became known no more.

"Still, it must not be thought from this that the chances of the private investor in South America are a thing of the past: nothing is farther from the case. At the present moment life in South America tends, if anything, to concentrate itself rather too much in the great towns. The effect of this is to leave not only the rural parts of the various Republics, but many of the minor centres of population, in a somewhat neglected state by comparison. This will be in itself obvious

when the extraordinarily large populations of the various capitals of the States are compared with the entire populations of the respective countries."

Thus, at the risk of repetition, it is necessary to add that whatever the industry or the occupation may be into which the new-comer decides on throwing his energies, he need not be discouraged if he finds that comparatively little room for them is left in the capital cities. It is only a question of going farther afield.

CHAPTER XV

INTERNATIONAL TRADE

Survey of British trade with South America—Questions of statistics and their dates—Argentina as one of the principal British markets in South America—A Republic of large cities—The importation of iron and steel—Artesian wells—Agricultural implements—Argentine foreign trade—Imports—Principal articles of importation in 1915—Argentine international trade—Statistics concerning this—Principal ports of the Argentine Republic—Railway progress—Statistics affecting the Argentine meat industry.

WE may now pass from a general, though necessarily incomprehensive, survey of the articles with which British trade in South America is chiefly concerned to a more general survey. This will be best achieved by a glance at some of the circumstances of the various Republics and a certain number of the chief commercial peculiarities which prevail in each.

In order to illustrate these, I have accompanied the letterpress by as many statistics as seemed to present an important bearing on the case. In these I have included not only the various imports of British and of other origin, but I have added the figures showing the respective position of British shipping and that of its rivals—a matter that is of the gravest importance to the welfare of the nation at large, and which, indeed, has a direct bearing on its very existence, as the part played by the mercantile fleet of Britain in the defence of the Empire, from the gigantic liner to the diminutive trawler, has shown with most striking emphasis in the present war.

As regards the rest, the figures will speak for themselves. There is, however, one matter which it is necessary to remark on with regard to these.

The statistics incorporated in this volume demand some words of explanation. They have been collected at a period which is peculiarly unfavourable for the study of set figures, and, indeed, were it possible to produce the desired impression without any tables of the kind at the present moment, it would be far simpler and better. But since this is clearly impossible, it has been necessary to do the best with the material at hand.

It would, of course, be useless to lay any particular stress, as regards the normal situation, on those statistics which have been published since the outbreak of war; but the difficulties as regards compiled figures do not end here, as for some years before August 1914 a financial crisis and temporary "slump" had prevailed throughout the majority of the South American Republics. Such figures as are available for this period, therefore, do not express a normal situation.

It is for this reason that I have allowed an unusually wide scope as regards the periods of years with which the various tables of commercial statistics deal. Some of the figures which are given in these pages may well seem too out of date; but in many cases this is unavoidable, and the intention of these statistics is not necessarily to give the very latest developments (which, as a matter of fact, show a condition of affairs which is not typical), but to give an idea of the general trend of the industrial and commercial progress and influences.

The reader, therefore, must not be alarmed if from time to time he meet with sets of figures dealing with periods as remote as 1910, 1911, and 1912; for there is no doubt that, so far as the majority of the Republics are concerned, these years yield results that are truer to the actual situation than those of the later years of

financial depression and of the utter disorganization caused by the outbreak of the world-wide war, and by the subsequent situations.

Argentina constitutes, as is now fairly well known, one of the principal British markets in South America, and the extraordinarily wide range of the exports shipped from the United Kingdom to this wealthy Republic will be seen from the figures appended.

In Argentina, needless to say, the competition between the various manufacturing countries is of the keenest order. The principal British interests in this country are in railways, local steamship companies concerned with river as well as with ocean traffic, banking and insurance corporations, land, tramways, great municipal undertakings, electric companies, and the like, to say nothing of the number of private firms established in the larger cities.

As has already been explained, Argentina is essentially the Republic of large cities, notwithstanding the pastoral and agricultural occupations of its people. Thus, the population of Buenos Aires now exceeds 1,300,000. That of Rosario is now in all probability in the neighbourhood of 250,000, while that of La Plata has risen to above 100,000. Beyond these, moreover, are numerous towns of first-class importance, such as Bahia Blanca, Mendoza, Santa Fé, and many others.

As has been said, one of the consequences of the great cosmopolitan populations of Argentina is the wide range of the imports which are in demand. In the years previous to the outbreak of the war, for instance, it was no uncommon thing for the annual importation of whisky to amount to some £700,000, and the quantity of canned and dried fish introduced would attain to a value of about £250,000 in the course of a year—and this notwithstanding the fact that large quantities of excellent fish are caught off the shores of the Republic.

The average recent importations of tea reached a total of some £200,000, and in this Great Britain has

an important interest; for, after China, the British possessions sent the largest quantities.

The iron and steel trades are those in which Great Britain has always shown herself pre-eminent, and in which there is no reason why she should not still continue to lead the world, notwithstanding the most lamentable falling off in these industries which has been observable during the past twenty years.

As must be expected, Argentina is the greatest importer in South America of iron and steel, and in 1912 the imports of this Republic exceeded £9,000,000 sterling in value. A few figures showing the proportion introduced by the various European countries of these iron and steel goods will not be without interest.

In 1912 Belgium shipped no less than 42 per cent. of all the pig and sheet iron which was sent to Argentina, Germany being a close second with almost 40 per cent., while Great Britain's proportion only just exceeded 10 per cent. In galvanized iron the figures were more satisfactory, Great Britain accounting for some 66 per cent., and the United States coming second with a little over 22 per cent. In steel rails, too, the lion's share went to Great Britain, the shipments from this country totalling over 43 per cent., and the German imports being a little over 26 per cent. In this particular case, as a matter of fact, this high percentage of Great Britain's trade is probably not unconnected with the British-owned railways of South America.

In wrought iron the British again led with 42 per cent. of the total amount imported, Belgium coming second with a fraction over 27 per cent. In iron manufactures, however, the situation was not so satisfactory, the Germans supplying over 32 per cent. of the imports, while those of Great Britain scarcely exceeded 22 per cent. In galvanized wire 51 per cent. was imported from Germany, about 31 per cent. from the United States, and a little over 12 per cent. from Great Britain.

On the whole, it will be seen that the condition of the British iron and steel trade as concerns Argentina is by no means unsatisfactory, and although the situation cannot be compared with that which obtained a quarter of a century ago, the condition of this great British industry is at all events suggestive of energy and a certain "liveliness," which, it is to be hoped, will be largely increased at the conclusion of the war.

Since the outbreak of hostilities it is hardly necessary to explain that the British exports of these materials to South America have fallen in a most marked fashion. This could scarcely be otherwise, when the importance of these particular branches of British production in the present warlike operations is considered.

Argentina offers quite unusual opportunities for the establishment of artesian wells, and there is a large demand for these in the rich pastoral plains of the centre. In these territories, devoted to the breeding of a fine grade of live-stock and to agriculture, there is a notable lack of surface water, and even where this exists it is frequently brackish and unfit for a beverage for man or beast.

It is in these extensive districts that artesian wells are used, not only for domestic purposes, but also to supply the water deposits which form such a feature of the "camp," where the cattle, sheep, and horses gather to drink.

In connection with this branch of industry, it may be said that there is a large market in Argentina for all modern agricultural implements and such objects as the latest forms of wire fencing and the like. The question of the importation of live-stock has already been referred to.

ARGENTINE FOREIGN TRADE, 1915.

Country.	Imports.	Exports.	Total.
	Dollars Gold.	Dollars Gold.	Dollars Gold.
1 United Kingdom ..	67,781,867	164,972,021	232,753,888
2 United States	56,158,904	89,842,833	146,001,737
3 Italy	21,168,379	40,939,402	62,107,781
4 France	13,310,650	40,355,986	53,666,636
5 Brazil	10,381,501	21,905,246	32,286,747
6 Holland..	1,981,156	18,831,398	20,812,554
7 Spain	11,339,057	7,141,642	18,480,699
8 Mexico	15,118,395	137,619	15,256,014
9 Uruguay	1,879,658	7,957,352	9,837,010
10 British possessions ..	8,360,485	931,530	9,292,015
11 Sweden	2,061,766	5,021,285	7,083,051
12 Germany	5,653,310	—	5,653,310
13 Australia	—	4,971,936	4,971,936
14 Norway	1,368,189	2,796,881	4,165,070
15 Paraguay	2,259,887	1,550,316	3,810,203
16 Chile	776,229	1,730,742	2,506,971
17 Denmark	614,844	1,539,663	2,154,507
18 Switzerland	1,537,052	—	1,537,052
19 Portugal	238,651	1,001,006	1,239,657
20 Canada	1,132,158	—	1,132,158
21 Cuba	871,185	227,101	1,098,286
22 Bolivia	359,891	519,301	879,192
23 Belgium	853,746	—	853,746
24 Japan	817,697	—	817,697
25 South Africa	201,970	361,662	563,632
26 Peru	—	272,355	272,355
27 Austria-Hungary ..	264,184	—	264,184
28 China	230,859	—	230,859
29 French possessions ..	—	158,520	158,520
30 North American possessions	—	9,072	9,072
31 Other countries ..	171,063	1,969,149	2,140,212
Exports " to orders "..	—	143,136,625	143,136,625
Total	226,892,733	558,280,643	785,173,376
	£45,018,399	£110,769,969	£155,788,368

POSITION HELD BY THE ARGENTINE REPUBLIC IN THE EXPORT TRADE OF THE UNITED KINGDOM IN 1914.

Exports from Great Britain to—	Value.	Country.	Population.	Per capita
	£			£
1 United States ..	64,039,575	1 New Zealand ..	1,097,278	9·50
2 East Indies ..	63,835,114	2 Australasia ..	4,872,059	7·61
3 Australasia ..	37,088,720	3 Holland.. ..	6,213,000	3·32
4 Germany ..	36,431,273	4 South Africa ..	6,960,074	3·05
5 France	35,052,260	5 Canada	8,075,000	2·54
6 Russia	21,792,186	6 Norway ..	2,462,350	2·90
7 South Africa ..	21,220,246	7 Denmark ..	2,859,000	2·50
8 Holland.. ..	20,671,723	8 *Argentina* ..	7,988,383	1·89
9 Canada	20,499,607	9 Belgium ..	7,657,924	1·73
10 *Argentina* ..	15,080,668	10 Sweden ..	5,609,000	1·61
11 Italy	13,912,586	11 West Indies ..	1,751,718	1·55
12 Belgium ..	13,252,681	12 Uruguay ..	1,315,714	1·31
13 China	13,137,032	13 Chile	3,551,703	1·13
14 New Zealand ..	10,419,241	14 Switzerland ..	3,825,000	0·93
15 Sweden ..	9,629,408	15 France	39,602,258	0·88
16 Japan	8,560,775	16 Greece	3,912,000	0·77
17 Egypt	7,933,746	17 Egypt	11,200,000	0·70
18 West Africa ..	7,401,707	18 United States ..	98,781,324	0·65
19 Norway ..	7,177,258	19 East Africa ..	4,038,000	0·62
20 Denmark ..	7,160,182	20 Portugal ..	5,960,000	0·55
21 Spain	7,142,061	21 Germany ..	67,095,000	0·54
22 Brazil	6,601,211	22 Italy	35,239,000	0·40
23 Turkey	5,996,408	23 Spain	19,944,000	0·36
24 Chile	4,010,030	24 West Africa ..	20,551,000	0·36
25 Switzerland ..	3,571,129	25 Turkey	20,600,000	0·29
26 Austria-Hungary	3,429,935	26 Brazil	24,308,000	0·27
27 Portugal ..	3,299,301	27 East Indies ..	315,086,372	0·20
28 Greece	3,037,708	28 Japan	52,985,000	0·16
29 West Indies ..	2,722,901	29 Russia	174,099,600	0·12
30 East Africa ..	2,502,870	30 Austria-Hungary	51,505,000	0·07
31 Uruguay ..	1,725,638	31 Mexico	15,446,000	0·05
32 Mexico	748,954	32 China	336,042,000	0·04
Total, including other countries ..	£526,195,523			

ARGENTINE IMPORTS, UNDER PRINCIPAL HEADS.

Pesos

Value in Dollars Gold.

		1915.	1914.
Live-stock	..	1,317,456	1,244,271
Foodstuffs—			
Animal foods	3,866,107		
Vegetable foods and fruits	18,689,829		
		22,555,936	23,324,382
Tobacco and manufactures of	..	6,145,122	5,908,466
Drinks—			
Wines	4,486,737		
Spirits and liquors ..	1,594,280		
Sundries	480,561		
		6,561,578	8 131,073
Textiles, raw and manufactured—			
Silk	3,909,364		
Wool	5,273,604		
Cotton	23,825,583		
Other fibres	18,926,016		
		51,934,567	52,517,281
Oils, vegetable, mineral, etc.	..	36,140,287	20,053,399
Chemical, medicinal, and pharmaceutical substances and products	..	10,590,210	11,109,655
Paints and dyes	..	1,443,417	1,670,577
Timber—			
In bulk	2,125,172		
Worked	2,086,388		
		4,211,560	5,861,143
Paper and manufactures of—			
Paper and pasteboard ..	3,938,316		
Sundry paper manufactures	1,884,961		
		5,823,277	7,420,912
Leather and manufactures of	..	2,102,535	2,652,159
Iron and manufactures of—			
Raw material	10,635,379		
Iron and steel manufactures	8,010,569		
		18,645,948	35,158,112
Other metals—			
Unwrought	3,490,780		
Manufactured	2,379,370		
		5,870,150	7,648,176
Agricultural machinery, sacking, seeds, etc.	..	6,546,717	3,239,156

ARGENTINE IMPORTS, UNDER PRINCIPAL HEADS—*continued.*

Value in Dollars Gold.

		1915.	1914.
Locomotion and conveyances, railway material, and vehicles of all classes	..	6,798,217	22,958,653
Stone, clay, glass—			
Raw material	18,660,734		
Manufactured	1,229,723		
		19,890,457	28,847,454
Building material	..	11,934,609	17,935,161
Electrical supplies	..	3,756,637	7,023,547
Sundry articles and manufactures	..	4,623,963	9,114,323
Total	..	226,892,733	271,817,900
		£45,018,399	53,932,123

PRINCIPAL ARTICLES OF IMPORTATION IN 1915, EXCEEDING $500,000 GOLD, AND PRINCIPAL COUNTRIES OF ORIGIN.

	Dollars Gold.	Per cent.
1. Naphtha, impure	25,602,407	
Mexico	..	58·8
United States	..	41·0
Other countries	..	0·2
		—— 100
2. Coal	17,807,209	
United Kingdom	..	72·0
United States	..	25·6
Other countries	..	2·4
		—— 100
3. Sack cloth	12,447,603	
British possessions	..	55·5
United Kingdom	..	42·9
Other countries	..	1·6
		—— 100
4. Coloured wove prints	6,932,932	
United Kingdom	..	44·9
Italy	..	44·7
Germany	..	3·7
Belgium	..	1·9
Spain	..	1·4
United States	..	1·3
France	..	1·3
Other countries	..	0·8
		—— 100
5. Yerba-maté	6,234,329	
Brazil	..	89·5
Paraguay	..	10·5
		—— 100
6. Olive oil	3,888,456	
Italy	..	54·6
Spain	..	38·2
United States	..	4·8
Other countries	..	2·4
		—— 100
7. Bleached cotton goods	3,439,899	
United Kingdom	..	87·2
Italy	..	9·3
Other countries	..	3·5
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
8. Wrought iron	3,371,810	
United Kingdom	..	87·4
United States	..	10·0
Other countries	..	2·6
		—— 100
9. Woollen cloths	3,105,206	
United Kingdom	..	69·8
France	..	9·1
Italy	..	8·5
Spain	..	4·2
Germany	..	3·7
United States	..	3·6
Other countries	..	1·1
		—— 100
10. Galvanized iron	2,845,990	
United Kingdom	..	71·7
United States	..	26·5
Other countries	..	1·8
		—— 100
11. Pitch pine	2,831,139	
United States	..	98·5
Canada	..	1·0
Other countries	..	0·5
		—— 100
12. Hydraulic clay	2,617,351	
United Kingdom	..	35·0
Sweden	..	19·6
Denmark	..	19·0
France	..	9·9
United States	..	9·1
Belgium	..	2·7
Other countries	..	4·7
		—— 100
13. Sheep-dip	2,384,553	
United Kingdom	..	97·0
Other countries	..	3·0
		—— 100
14. Tobacco from all countries, except Paraguay and Havana	2,275,656	
Brazil	..	76·9
United States	..	11·2
Other countries	..	11·9
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
15. Cotton prints	2,263,171	
United Kingdom	..	76·7
Italy	..	14·1
Spain	..	4·3
Germany	..	2·1
Other countries	..	2·8
		100
16. Silk cloths	2,070,135	
France	..	48·5
United Kingdom	..	16·8
Italy	..	14·6
Switzerland	..	10·6
Japan	..	7·2
Other countries	..	2·3
		100
17. Unbleached cotton yarn	2,047,921	
United States	..	59·3
Italy	..	25·9
United Kingdom	..	11·3
France	..	1·2
Other countries	..	2·3
		100
18. Cleaned rice	2,033,441	
Spain	..	69·4
United States	..	11·1
British possessions	..	6·0
France	..	4·8
Italy	..	3·8
United Kingdom	..	3·2
Other countries	..	1·7
		100
19. Coffee	1,966,959	
Brazil	..	97·6
Other countries	..	2·4
		100
20. Sisal twine	1,964,195	
United States	..	99·0
Other countries	..	1·0
		100
21. Lubricating oils	1,890,609	
United States	..	80·6
United Kingdom	..	18·1
Other countries	..	1·3
		100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
22. Vermouth (in bottles)	1,843,696	
Italy	..	77·7
France	..	21·2
Other countries	..	1·1
		—— 100
23. Railway material	1,690,786	
United Kingdom	..	90·0
United States	..	8·0
Other countries	..	2·0
		—— 100
24. Wire and cables for electric purposes	1,689,251	
United Kingdom	..	50·9
Italy	..	31·6
United States	..	14·3
Other countries	..	3·2
		—— 100
25. Spare parts for carriages and automobiles	1,689,292	
Italy	..	45·9
United Kingdom	..	26·1
France	..	13·9
United States	..	13·8
Other countries	..	0·3
		—— 100
26. Potatoes (seeds)..	1,668,414	
France	..	39·4
Spain	..	32·8
United States	..	25·5
Other countries	..	2·3
		—— 100
27. News-print paper	1,535,196	
United States	..	57·0
Sweden	..	16·8
Norway	..	13·1
Other countries	..	3·1
		—— 100
28. Cotton oil	1,523,509	
United States	..	99·2
Other countries	..	0·8
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
29. Ordinary wine (in casks)	1,508,118	
Spain	..	46·9
Italy	..	39·6
France	..	13·2
Other countries	..	0·3
		—— 100
30. Patent medicines	1,467,876	
France	..	55·8
United States	..	16·6
Italy	..	14·6
Spain	..	5·4
United Kingdom	..	5·3
Other countries	..	2·3
		—— 100
31. Machinery (various kinds)	1,445,126	
United States	..	31·9
United Kingdom	..	31·8
Italy	..	15·7
Germany	..	10·6
Other countries	..	10·0
		—— 100
32. Petroleum	1,411,389	
United States	..	99·9
Other countries	..	0·1
		—— 100
33. Tin plate..	1,405,835	
United States	..	70·5
United Kingdom	..	28·8
Other countries	..	1·7
		—— 100
34. Cheese	1,325,152	
Italy	..	82·4
France	..	7·6
Switzerland	..	4·5
Holland	..	4·3
Other countries	..	1·2
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
35. Cotton socks	1,313,005	
United States	..	38·4
Germany	..	30·7
Spain	..	12·1
France	..	7·5
Italy	..	2·8
Holland	..	2·7
Switzerland	..	2·4
United Kingdom	..	2·1
Other countries	..	1·3
		—— 100
36. Parcel post	1,264,996	
France	..	45·5
Italy	..	25·0
United Kingdom	..	16·0
Switzerland	..	3·7
Holland	..	2·2
Other countries	..	7·6
		—— 100
37. Spare parts for machinery	1,222,300	
United States	..	35·3
United Kingdom	..	34·5
Germany	..	7·0
Italy	..	6·8
Other countries	..	16·4
		—— 100
38. Cattle	1,101,985	
Paraguay	..	40·3
Uruguay	..	33·0
Bolivia	..	14·6
United Kingdom	..	10·9
Other countries	..	1·2
		—— 100
39. Woollen and mixed goods	1,083,181	
United Kingdom	..	73·1
Italy	..	12·0
Germany	..	7·8
Other countries	..	7·1
		—— 100
40. Galvanized wire..	973,029	
United Kingdom	..	83·5
Germany	..	10·3
Other countries	..	6·2
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
41. Spruce	966,687	
Canada	..	62·0
United States	..	31·3
Sweden	..	3·4
United Kingdom	..	2·2
Other countries	..	1·1
		100
42. Iron pipes (other than galvanized)	918,660	
United Kingdom	..	83·9
Germany	..	7·9
United States	..	7·6
Other countries	..	0·6
		100
43. Unbleached cotton goods	886,284	
United Kingdom	..	81·8
Italy	..	11·4
United States	..	4·3
Other countries	..	2·5
		100
44. Paraffin	867,734	
United States	..	95·8
Holland	..	3·6
Other countries	..	0·6
		100
45. Tobacco (Havana)	867,246	
Cuba	..	91·6
United States	..	4·6
Other countries	..	3·8
		100
46. Bags of sack cloth	830,114	
United Kingdom	..	59·7
British possessions	..	38·3
Other countries	..	2·0
		100
47. Tea	819,606	
British possessions	..	43·7
United Kingdom	..	29·3
China	..	24·4
Other countries	..	2·6
		100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
48. Iron and steel manufactures	819,307	
United Kingdom	..	74·0
United States	..	14·5
Germany	..	4·5
Other countries	..	7·0
		—— 100
49. Wax candles	813,594	
United Kingdom	..	54·7
Italy	..	19·7
Holland	..	18·1
France	..	1·3
Other countries	..	6·2
		—— 100
50. Perfumery	793,388	
France	..	71·1
United Kingdom	..	17·9
United States	..	3·9
Italy	..	2·9
Germany	..	2·3
Other countries	..	1·9
		—— 100
51. Tartaric acid	776,267	
Italy	..	61·5
Germany	..	19·8
France	..	9·4
United Kingdom	..	7·1
Other countries	..	2·2
		—— 100
52. Iron main pipes	762,972	
United Kingdom	..	—— 100
53. Locomotives	761,530	
United Kingdom	..	99·0
Germany	..	1·0
		—— 100
54. Sheet glass	716,881	
United Kingdom	..	29·8
United States	..	27·4
Holland	..	15·3
Spain	..	12·2
Belgium	..	8·1
Other countries	..	7·2
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
55. Coloured cotton yarn	709,366	
Italy	..	48·2
United States	..	30·0
United Kingdom	..	8·8
Holland	..	5·0
Spain	..	2·8
Other countries	..	5·2
		—— 100
56. Sand (for building purposes)	690,693	
Uruguay	..	—— 100
57. Sacks for packing meat	676,728	
United Kingdom	..	66·5
United States	..	32·9
Other countries	..	0·6
		—— 100
58. Tin	676,364	
United Kingdom	..	76·3
United States	..	23·0
Other countries	..	0·7
		—— 100
59. White pine	669,962	
Brazil	..	49·0
United States	..	35·6
Canada	..	14·0
Other countries	..	1·4
		—— 100
60. Sardines	648,246	
Spain	..	55·7
Norway	..	28·4
France	..	5·1
Italy	..	4·5
United States	..	2·6
Other countries	..	3·7
		—— 100
61. Twine for sewing bags	648,202	
United Kingdom	..	46·8
Italy	..	36·0
Spain	..	16·2
Other countries	..	1·0
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
62. Cotton and silk goods	644,516	
Italy	..	32·3
France	..	31·9
United Kingdom	..	22·7
Germany	..	3·9
Switzerland	..	3·6
Other countries	..	5·6
		—— 100
63. Ploughs	644,320	
United States	..	97·0
Other countries	..	3·0
		—— 100
64. Chemical products	643,278	
United States	..	48·3
France	..	21·6
United Kingdom	..	14·8
Italy	..	7·3
Germany	..	4·6
Other countries	..	3·4
		—— 100
65. Boots and shoes	636,848	
United States	..	61·4
United Kingdom	..	25·6
Switzerland	..	6·4
Other countries	..	6·6
		—— 100
66. Furniture	635,711	
United States	..	41·8
United Kingdom	..	24·5
France	..	14·3
Austria-Hungary	..	6·2
Italy	..	5·8
Germany	..	4·6
Other countries	..	2·8
		—— 100
67. Automobiles	632,080	
United States	..	73·1
France	..	9·3
Italy	..	6·5
United Kingdom	..	5·0
Other countries	..	6·1
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
68. Rosin	618,986	
United States	..	94·3
Italy	..	1·0
Other countries	..	4·7
		—— 100
69. Iron and steel wire (other than galvanized)	617,515	
United States	..	93·7
Other countries	..	6·3
		—— 100
70. Printed books	612,731	
Spain	..	50·0
Italy	..	17·4
United Kingdom	..	12·1
France	..	9·5
United States	..	6·5
Other countries	..	4·5
		—— 100
71. Iron plates	612,591	
United States	..	78·5
United Kingdom	..	13·7
Other countries	..	7·8
		—— 100
72. Typolitographical pamphlets	601,158	
United Kingdom	..	71·9
United States	..	8·7
France	..	8·5
Other countries	..	10·9
		—— 100
73. Staves and empty casks	599,108	
United States	..	91·7
Brazil	..	3·9
United Kingdom	..	2·6
Other countries	..	1·8
		—— 100
74. Handkerchiefs	596,260	
United Kingdom	..	86·0
Italy	..	8·3
United States	..	3·0
Other countries	..	2·7
		—— 100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
75. Galvanized iron or steel barbed wire..	581,294	
United States	..	94·1
Other countries	..	5·9
		100
76. Pig and sheet lead	574,767	
Spain	..	78·0
United Kingdom	..	12·0
United States	..	9·2
Other countries	..	0·8
		100
77. Bitters, all sorts (other than Angostura)	572,772	
France	..	51·1
Italy	..	39·2
Germany	..	8·4
Other countries	..	1·3
		100
78. Tin sheet cut for packing	563,040	
United Kingdom	..	80·0
United States	..	20·0
		100
79. Malt	555,584	
Chile	..	36·2
United States	..	32·8
United Kingdom	..	29·4
Other countries	..	1·6
		100
80. Paper for printed matter	548,818	
Germany	..	35·7
United States	..	26·2
Holland	..	10·2
United Kingdom	..	9·2
Other countries	..	18·7
		100
81. Painters' colours	543,288	
United Kingdom	..	61·7
United States	..	26·1
Holland	..	7·0
Other countries	..	5·2
		100
82. Steel rails	535,640	
United States	..	61·7
Germany	..	21·4
United Kingdom	..	16·9
		100

PRINCIPAL ARTICLES OF IMPORTATION IN 1915—*continued.*

	Dollars Gold.	Per cent.
83. Sewing thread	534,329	
United Kingdom	..	97·0
Other countries	..	3·0
		—— 100
84. Earthenware conduits	532,593	
United Kingdom	..	—— 100
85. Cod-fish	530,399	
Norway	..	90·8
United Kingdom	..	7·4
Other countries	..	1·8
		—— 100
86. Cotton lace	518,577	
United Kingdom	..	36·9
Switzerland	..	19·1
Italy	..	14·0
France	..	12·5
Holland	..	6·5
Germany	..	6·0
Other countries	..	5·0
		—— 100
Total, dollars gold	168,189,141	
Other articles under $500,000 in value ..	58,703,592	
Grand total, dollars gold ..	226,892,733	
	£45,018,399	

The following figures from *Argentine International Trade,* 1914–15, edited by Dr. Ricardo Pillado, show some interesting aspects of the situation created by the war:—

"The trade of Argentina with foreign countries has suffered in 1914 a very severe check from the stoppage in navigation caused by the European War, notwithstanding the powerful resources of the country and the success of the year's crop, largely increased in bulk and value, of both animal and agricultural products.

"Shortage of freight in the last six months has been also the cause of a considerable diminution of our exportation, which in the year 1913 amounted to $483,504,547 gold, falling to $349,254,141 in 1914, or, say, a shrinkage of $134,250,406 gold.

"At the end of 1915 the recovery has been very effective, the total exports arriving to $558,280,643, the largest figure in our commercial history, showing an increase equal to $74,776,096 over 1913 and $209,026,502 over 1914.

"For the same reason the importation, that had reached $421,352,542 in 1913, fell to $271,817,900 in 1914, a diminution compared with the former year of $149,534,642 gold, and in the year 1915 the fall has continued, showing a total of $226,892,733, or, say, a decrease of $44,925,167 compared with 1914.

"The result of these figures is a total trade of—

	Dollars Gold.
1913	904,857,089
1914	621,072,041
1915	785,173,376

"But as the balance of the trade in the last years has been very favourable to our exports, the surplus shows the following results :

	Dollars Gold.
Surplus of exports over imports in 1913 ..	62,152,005
" " " 1914 ..	77,436,241
" " " 1915 ..	331,387,910

"A full view of the subject may be had from the next figures :

	Imports.	Exports.	Total.
	Dollars Gold.	Dollars Gold.	Dollars Gold.
1913 1st half year ..	209,175,389	293,077,756	502,253,145
2nd " ..	212,177,153	190,426,791	402,603,944
1914 1st " ..	171,016,664	213,733,954	384,750,618
2nd " ..	100,801,236	135,520,187	236,321,423
1915 1st " ..	100,127,910	310,910,368	411,038,278
2nd " ..	126,764,823	247,370,275	374,135,098

"Herewith the development of Argentina's foreign commerce during the half century 1866–1915.

	Total Trade.	Increase over the Former Decade.	
	Dollars Gold.	Dollars Gold.	Per cent.
1866–1875	875,559,141	—	—
1876–1885	1,164,405,854	288,846,713	32·9
1886–1895	2,068,549,494	904,143,640	77·6
1896–1905	3,135,390,608	1,066,841,114	51·5
1906–1915	7,075,626,271	3,940,235,663	125·6

"The remarkable progress of our meat trade in the last thirty years is expressed thus :

	1885. Dollars Gold.	1915. Dollars Gold.
Live-stock : cattle	2,345,313	3,100,830
,, sheep	58,552	72,504
Chilled and frozen beef ..	1,680	76,175,100
Frozen mutton	75,323	6,307,190
Sundry meats frozen ..	—	725,278
,, ,, preserved ..	—	3,194,407
Extract of meat	—	743,298
Powdered meat	—	141,439
Preserved tongues	—	170,947
Condensed soup	—	565,471
Jerked beef	4,204,077	50,941
	6,684,945	91,247,405
	£1,326,378	£18,104,644

"The trade in grain and cereals, taking only the staple products, has made a still more rapid stride in the same period, i.e. :

	1885. Dollars Gold.	1915. Dollars Gold.
Oats	—	19,065,704
Maize	3,957,191	93,475,450
Wheat	3,139,736	132,632,073
Wheat flour	521,295	10,071,960
Linseed	3,471,305	46,100,866
	11,089,527	301,346,053
	£2,200,303	£59,790,883

PRINCIPAL PORTS OF THE ARGENTINE REPUBLIC—
THEIR RESPECTIVE IMPORTANCE IN THE FOREIGN TRADE, 1915.

Ports.	Exports.	Imports.	Totals.
	Dollars Gold.	Dollars Gold.	Dollars Gold.
1 Buenos Aires	232,223,793	180,801,738	413,025,531
2 Rosario	102,453,837	16,051,141	118,504,978
3 Bahia Blanca	72,960,723	5,311,870	78,272,593
4 La Plata	47,748,904	7,607,543	55,356,447
5 Santa Fé	20,189,919	994,358	21,184,277
6 San Nicolas	13,967,487	1,587	13,969,074
7 Las Palmas, B.A. ..	10,298,226	—	10,298,226
8 Campana	7,872,477	9,119,165	16,991,642
9 Zarate	6,950,750	948,240	7,898,990
10 Piracuacito	4,741,007	—	4,741,007
11 Concordia	4,553,060	115,039	4,668,099
12 V. Constitucion ..	4,031,575	1,679,305	5,710,880
13 Colon	3,815,171	922,062	4,737,233
14 San Lorenzo	3,609,956	—	3,609,956
15 Paraná	2,773,420	104,096	2,877,516
16 Barranqueras	1,910,484	—	1,910,484
17 Monte Caseros	1,449,805	54,230	1,504,035
18 San Pedro	1,437,022	—	1,437,022
19 Ocampo	1,369,442	—	1,369,442
20 San Jorge	1,356,338	—	1,356,338
21 C. del Uruguay ..	1,294,612	307,828	1,602,440
22 La Paz	1,272,576	79,432	1,352,008
23 Victoria..	996,712	—	996,712
24 Gualeguaychu	965,370	65,129	1,030,499
25 Las Palmas, Chaco ..	960,939	—	960,939
26 Gualeguay	753,379	6,644	760,023
27 Formosa	632,739	31,148	663,887
28 Rio Gallegos	430,513	—	430,513
29 P. Madryn	390,935	—	390,935
30 Santa Elena	381,216	—	381,216
31 Corrientes	—	381,030	381,030
32 Salta	368,019	—	368,019
33 Baradero	351,742	—	351,742
34 Ibicuy	237,488	302,694	540,182
35 Patagones	226,385	25	226,410
36 San Antonio, Oeste ..	218,444	7,460	225,904
37 Embarcacion	—	195,959	195,959
38 La Quiaca	—	126,382	126,382
39 Posadas..	—	1,403,344	1,403,344
Other ports	3,086,178	275,284	3,361,462
Totals	558,280,643	226,892,733	785,173,376
	£110,769,969	£45,018,399	£155,788,368

ARGENTINE RAILWAY PROGRESS, ACCORDING TO THE LATEST PUBLICATIONS AND MEASUREMENTS OF THE DEPARTMENT GENERAL OF RAILWAYS UNDER NATIONAL GOVERNMENT JURISDICTION.

Year.	Extent of Lines.	Capital.	Passengers.	Freight.	Receipts.	Expenditure.
	Kilometres.	Dollars Gold.	Number.	Tons.	Dollars Gold.	Dollars Gold.
1857	10	285,108	56,190	2,257	19,185	12,448
1865	249	5,379,898	747,684	71,571	563,134	438,961
1870	732	18,835,703	1,948,585	274,501	2,502,569	1,356,252
1875	1,956	40,990,210	2,597,103	660,905	5,178,613	3,009,707
1880	2,516	62,964,486	2,751,570	772,717	6,560,417	3,072,185
1885	4,503	122,643,671	5,587,299	3,050,408	14,298,681	8,616,201
1890	9,432	321,263,769	10,069,606	5,420,782	26,049,042	17,585,406
1895	14,116	484,780,681	14,573,037	9,650,272	26,394,306	13,846,464
1900	16,563	530,819,674	18,296,422	12,659,831	41,401,348	23,732,754
1901	16,907	537,759,453	19,698,115	13,988,180	43,866,085	24,128,602
1902	17,377	560,367,160	19,815,439	14,030,340	43,272,585	22,975,446
1903	18,404	572,510,539	21,025,456	17,024,617	53,569,078	27,766,685
1904	19,428	588,018,883	23,312,987	20,123,575	62,558,741	33,216,656
1905	19,794	626,651,570	26,636,211	22,409,995	71,594,919	39,396,094
1906	20,560	671,191,933	34,193,565	26,716,520	82,019,098	48,748,695
1907	22,126	772,769,218	41,784,238	27,929,011	87,970,346	54,215,438
1908	23,741	846,061,329	47,150,384	32,211,007	101,397,802	62,036,602
1909	24,781	898,063,695	51,060,957	31,089,643	104,365,027	61,989,558
1910	27,994	1,042,170,418	59,711,462	33,606,626	110,941,406	65,929,627
1911	30,059	1,135,715,140	67,776,762	34,375,005	116,782,267	71,447,103
1912	31,461	1,201,757,453	73,641,550	40,430,404	132,059,613	82,641,737
1913	32,494	1,266,855,584	82,322,830	42,033,250	140,113,204	87,274,512
1914	33,507	1,324,090,073	74,377,728	33,506,829	115,107,179	78,569,057
1915	33,973	1,342,500,000	67,800,000	34,662,000	126,597,000	79,254,000

Figures for 1915 are provisional. The extension of lines in 1915 does not include 978 kilometres Midland R. R. and Meridiano 5° lines, in the Province of Buenos Aires, nor 1,166 kilometres in actual construction in the National Territories, say 2,144 kilometres to be added to the total extent of lines.

ARGENTINE MEAT TRADE—

Year.	Frozen and Chilled Beef.	Frozen Mutton.	Sundry Frozen Meats.	Preserved Meats.	Extract of Beef.	Powder of Meat.
	Dollars Gold.	Dollars Gold.	Dollars Gold.	Dollars Gold.	Dollars Gold.	Dollars Gold.
1885	1,680	75,323	—	—	—	—
1886	12,800	360,508	1,876	—	169,991	—
1887	—	963,112	8,837	—	75,888	15,250
1888	3,326	1,459,839	38,343	13,809	128,080	117,457
1889	58,742	1,322,604	17,930	101,714	105,668	19,830
1890	53,029	1,633,105	—	42,661	375,132	19,175
1891	5,902	1,862,247	31,211	258,926	389,454	62,116
1892	22,695	2,034,898	49,217	633,601	520,892	226,888
1893	222,279	2,003,254	34,324	196,080	198,070	75,497
1894	12,400	1,864,110	59,645	65,250	134,393	21,562
1895	63,482	1,675,273	16,120	92,325	208,399	21,217
1896	119,863	1,804,205	24,204	204,315	683,487	13,551
1897	169,644	2,035,778	27,903	115,127	257,772	5,582
1898	234,681	2,393,358	38,839	162,294	605,522	58,034
1899	363,141	2,265,069	36,863	181,600	765,504	—
1900	2,458,957	4,512,973	70,797	140,480	230,416	—
1901	4,490,447	5,041,023	91,648	94,717	433,590	—
1902	7,001,833	6,405,804	163,820	164,404	592,696	—
1903	8,151,956	6,251,959	203,973	374,154	693,174	—
1904	9,774,354	7,089,287	272,308	242,861	414,188	4,885
1905	15,285,693	6,268,059	356,299	248,826	870,950	599,460
1906	15,380,897	5,391,055	400,275	125,908	842,142	959,203
1907	13,822,162	5,582,781	450,198	159,477	1,791,574	1,536,828
1908	18,081,443	6,307,688	740,421	178,057	1,379,952	1,239,918
1909	21,065,747	5,319,612	649,206	639,013	2,702,988	1,057,675
1910	25,370,815	6,008,133	721,618	1,215,370	3,046,680	1,267,964
1911	31,283,396	6,873,285	946,859	1,541,333	1,031,154	904,730
1912	34,285,076	5,613,971	1,017,992	1,769,882	1,223,860	1,349,557
1913	36,622,889	3,674,206	910,311	1,257,391	1,598,136	1,097,566
1914	36,896,726	4,695,001	1,032,877	1,308,737	862,968	680,205
1915	76,175,100 [1]	6,307,190	725,278	3,194,407	743,298	141,439
Totals..	357,491,155	115,094,710	9,139,192	14,722,719	23,076,018	11,495,589
	£70,930,785	£22,836,252	£1,813,332	£2,921,174	£4,578,575	£2,280,871

[1] The increase in value depends principally on high prices during the war.

EXPORTS FROM 1885 to 1915.

Preserved Tongues.	Live Stock.		Condensed Soup.	Jerked Beef.	Totals.	Year.
	Cattle.	Sheep.				
Dollars Gold.	Dollars Gold.	Dollars Gold.	Dollars Gold.	Dollars Gold.	Dollars Gold.	
—	2.345,313	58,552	—	4,204,077	6,684,945	1885
27,267	2,203,150	41,557	—	3,738,820	6,555,969	1886
20 990	1,415,625	42,884	8,257	2,398,424	4,949,267	1887
56,668	1,798,251	34,685	—	3,456,787	7,107,245	1888
58,706	3,194,113	66,526	6,889	6,139,875	11,092,597	1889
185,412	3,579,456	159,428	10,547	3,913,304	9,971,249	1890
195,753	3,997,270	387,545	7,728	3,566,854	10,765,006	1891
198,813	2,624,675	170,422	6,455	4,100,488	10,589,044	1892
171,584	4,433,944	362,904	—	4,115,134	11,813,070	1893
266,144	4,540,160	448,678	—	4,564,447	11,976,789	1894
158,911	7,003,230	1,292,527	12,069	4,225,419	14,768,972	1895
127,980	6,543,550	1,536,056	61,964	3,217,541	14,336,716	1896
112,270	5,018,222	1,512,684	22,941	2,466,313	11,744,236	1897
112,044	7,690,450	1,733,963	32,447	2,116,468	15,178,100	1898
116,439	6,824,010	1,631,041	29,342	2,038,413	14,251,422	1899
204,196	3,678,150	594,675	24,005	1,979,557	13,894,206	1900
205,525	1,980,372	78,248	16,217	2,879,455	15,311,242	1901
167,854	2,848,445	368,656	11,769	2,647,450	20,372,731	1902
142,170	4,437,420	503,241	100,599	1,542,018	22,400,664	1903
189,400	2,852,820	85,219	114,044	1,391,931	22,431,297	1904
155,615	5,160,483	364,209	122,066	3,738,444	33,170,104	1905
91,200	1,676,145	315,359	70,614	596,643	25,849,441	1906
227,119	2,062,390	331,701	107,789	1,178,056	27,250,075	1907
262,058	1,876,820	311,376	115,822	772,819	31,266,374	1908
360,444	4,087,820	265,908	188,735	1,325,053	37,662,201	1909
284,352	4,056,450	231,540	204,293	1,033,020	43,440,235	1910
214,150	8,202,750	332,070	175,744	1,661,615	53,167,086	1911
189,523	9,140,089	314,694	197,433	1,400,748	56,502,816	1912
131,952	6,848,830	311,991	375,392	658,097	53,486,761	1913
150,985	3,482,990	156,255	367,158	568,444	50,202,346	1914
170,947	3,100,830	72,504	565,471	50,941	91,247,405	1915
4,956,471	128,704,214	14,117,098	2,955,790	77,686,655	759,439,611	Totals.
£983,427	£25,536,550	£2,801,012	£586,466	£15,414,019	£150,682,463	

CHAPTER XVI

BRITISH INTERESTS IN THE VARIOUS REPUBLICS

British interests in Brazil—Principal British exports to the Republic—Favourable opportunities offered by the situation—A Consular opinion—Some hints as regards modern Brazilian commerce—Various types of competition—Imports of iron and steel—Prospects of the machinery industry—Value of machinery imports—Manufactured iron and steel goods—A quotation from the *Times Trade Supplement*—Brazilian trade statistics—Principal countries concerned with exports and imports—Tables showing development of Brazilian trade—Some provincial statistics—São Paulo—The port of Santos—The ports of São Francisco, Santa Catharina, and Pernambuco—Table showing imports into Pernambuco—Various countries involved—Shipping of Pernambuco—The ports of Alagoas, Maceió, Ceará, and Cabedello—Principal imports of Pará.

THE direct British interests in Brazil are made up very largely of railway interests, city improvements companies, and municipal and port works. Although no such amount of capital has been invested in land as has been the case in Argentina, there are important holdings of rubber lands and coffee plantations.

Great Britain still retains the lead as an exporter of manufactured goods to Brazil, Germany coming next, and the United States of America third. The principal British exports are cotton, machinery, iron and steel manufactures, and coal.

In exporting goods to Brazil, the fact must be taken into consideration that a very heavy import duty is levied, no articles of any real importance escaping this.

As has been already remarked elsewhere in this book, the commercial position of the British should be peculiarly favourable in Brazil; for, apart from the opportunities

offered by the enormous intrinsic wealth of the country, a very close friendship has been preserved between the British and the Brazilians from the first beginnings of the existence of the Republic as an independent State. In view of this mutual and tried friendship of old standing, the sympathies of the Brazilians are, it may be said without exaggeration, strongly developed towards the British, thus promising an even closer co-operation after the war than was the case before it.

It is my object in this volume to collect as many authoritative opinions as possible—more especially where they happen to agree with my own, although this is by no means imperative!—in order that the reader may be satisfied that in matters such as these no undue originality or eccentricity is involved, for these picturesque attributes are frequently fatal to commercial soundness.

With this object in view I will quote a few paragraphs from the report on the trade of Brazil for the years 1912–13 by Mr. H. S. Birch, third secretary to His Majesty's Legation at Rio de Janeiro:

"Ten years ago it was possible for most foreign engineering firms and manufacturers of apparatus of an engineering character to do business in Brazil by remitting catalogues through the post or by appointing a local firm of merchants or traders as agents. A travelling representative at that time, armed with a catalogue, not necessarily in the Portuguese language, could take any amount of orders. In fact, he had the country at his call, and the payment for the goods in his pocket when the orders were given. Delivery was as suited his convenience, and a matter of six months was not considered in any way of material importance.

"To-day that happy condition of affairs for the British manufacturer has been entirely changed. With the exception of a few special lines, such as special engineering tools, drills, armouring for concrete, apparatus for specific uses and specialities generally, it is not possible to take orders for deferred deliveries, as stocks

of all general appliances are now held in Rio de Janeiro in large quantities. In the case of electrical apparatus, for example, nearly every conceivable article is on sale by several local firms. It is possible to select and buy on the spot complete sets of steam-driven electric generators, switchboards, instruments, dynamos, electric motors, and the whole series of electrical apparatus.

"The minor classes of engineering articles, such as pumps, ventilators, tools (including lathes and other machines), are here ready for immediate delivery. The business is, of course, conducted in the Portuguese language, and all catalogues and descriptive matter are in Portuguese.

"It is, moreover, worthy of note that such enterprise is largely in the hands of Germans, Italians, and North Americans.

"Such competition must, of course, be classed as both internal and external, but there is also a growth of purely internal competition by local manufactures, though not to a great extent, in engineering appliances. The manufactures in the country are of such articles as enamelled iron baths, sanitary fittings, steel-plate work, tanks, girder work, and foundries for both iron and yellow metal.

"British firms desirous of opening up business in Brazil should recognize that, with the present facilities of rapid ocean transit, deliveries are asked for in the shortest possible time, and that whenever it is possible the order should be transmitted by cable. Two months now is considered ample time in most cases.

"Finally, it may be said that it is no longer advisable, except in special cases, to ask for cash against documents in London, as was customary some years ago; for the Brazilian does not take kindly to cash payments, and his facilities for obtaining credit are far wider than was formerly the case. Indeed, he not infrequently makes a point of keeping his creditors waiting as long as possible for the cash, and allowances should be made for this peculiarity in the transactions."

The imports of iron and steel into Brazil were showing a marked increase before the outbreak of war. Thus, although in 1910 rather less than £5,000,000 worth of these goods were imported into Brazil, the corresponding figures for 1913 show a total which exceeded £8,000,000. It may be said, roughly, that in 1913 Germany had by far the greatest share of the trade in fence wire as well as in iron superstructure for buildings. Great Britain, on the other hand, excelled as regards the importation of galvanized roofing material. Belgium had the greater share of telegraph and telephone posts, bridge material and fencing, while France headed the list as regards steel rails, plates, and similar objects.

Since the outbreak of war this trade has greatly fallen off as regards the European manufacturers. The imports of the United States, on the other hand, have shown a great increase.

There is at the present time an important opening in Brazil for British textile machinery. Great Britain easily leads the world in the quality of this, and Brazil has always bought the main portion of this from her. But with the notable increase in the Brazilian textile industry, the trade in the machinery should become very much extended.

There is a large demand for sugar-crushing machinery in Pernambuco, one of the centres of the sugar industry. The State of Minas Geraes forms the centre of the mining industry, and the demand for mining plant here is very great, and is increasing rapidly.

VALUE OF IMPORTS OF PRINCIPAL KINDS OF MACHINERY.

	1912. Milreis (Paper).
Machinery, unenumerated	31,121,873
Industrial machinery	17,795,468
Electrical machinery	14,867,282
Locomotives	11,585,752
Sewing machines	8,184,518
Motors, locomobiles	4,513,328
Agricultural machinery	2,169,382

VALUE OF THE LEADING IMPORTS OF MANUFACTURED IRON AND STEEL GOODS.

	1912. Milreis (Paper).
Rails	29,000,773
Manufactures of iron, unenumerated	12,814,620
Pipes	12,227,624
Structural iron	9,576,949
Wire	8,902,462
Galvanized sheets	6,366,107
Tin plate in sheets	4,393,230
Cutlery	3,699,544

By the kind permission of the editor of the *Times Trade Supplement,* I am permitted to quote the following figures from the Brazil section of the *Times Trade Supplement* for October 1917 :

During the sixteen years of the present century the foreign commerce of Brazil has shown considerable development and a notable consistency in the annual balances in favour of this greatest of South American Republics ; only once, in the year 1913, has the value of the imports exceeded that of the exports.

The following table gives the annual total value of the trade of the country :

Year.	Exports.	Imports.	Balance in Favour of Exports.
	£	£	£
1901	40,621,993	21,377,270	19,224,723
1902	36,437,456	23,279,418	13,158,038
1903	36,883,175	24,207,811	12,675,364
1904	39,430,136	25,915,433	13,514,713
1905	44,643,113	29,830,050	14,813,063
1906	53,059,480	33,204,041	19,855,439
1907	54,176,898	40,527,603	13,649,295
1908	44,155,280	35,491,410	8,663,870
1909	63,724,440	37,139,354	26,583,086
1910	63,091,547	47,871,974	15,219,573
1911	66,838,892	52,821,701	14,017,191
1912	74,649,143	63,424,637	11,224,506
1913	64,848,701	67,166,360	— [1]
1914	46,526,685	35,472,635	11,054,050
1915	52,970,333	30,088,391	22,881,942
1916	55,010,279	40,369,436	14,640,843

[1] Balance of £2,317,659 in favour of imports.

It will be observed from the above that high-water mark was reached in the years 1912 and 1913, while a steady improvement has been noted during the period of the war; the adaptability of the resources of the country has been exemplified in the rapid development of the production and export of foodstuffs during this period.

Trade during 1915 *and* 1916.

During the past two years the exports from Brazil have been as follows:

	1915.	1916.
Animal products	£4,254,609	£6,332,654
Mineral products	1,173,443	2,151,043
Vegetable products	47,542,281	46,526,582

while the imports have been classified:

	1915.	1916.
Live animals	£42,844	£105,579
Raw materials and articles for arts and industries	7,330,440	11,449,286
Manufactured articles	10,794,238	17,107,041
Foodstuffs	11,316,869	11,207,530

The goods exported were consigned to the following foreign countries:

Countries.	1915.	1916.
Argentina	£2,675,465	£3,354,095
British possessions	436,881	486,375
Chile	147,390	151,429
Cuba	36,414	62,734
Denmark	1,221,286	414,134
Egypt	263,858	91,094
France	6,031,852	8,885,913
French possessions	138,225	118,645
Germany	23	—
Great Britain	6,404,844	6,409,792
,, for (orders) ..	109,578	26,870
Greece	203,845	4,700
Holland	3,369,821	1,684,819
Italy	1,662,748	3,401,060
Norway	1,568,316	294,578
Paraguay	76	2,423
Peru	1,914	1,288
Portugal	486,117	319,088

Countries.	1915.	1916.
Spain and colonies	£319,701	£452,526
Sweden	4,775,722	1,531,800
Switzerland	—	485
Turkey	2,900	—
United States	22,146,544	25,827,425
Uruguay	914,218	1,471,078
Other countries	52,596	23,928
Total	£52,970,333	£55,010,279

During the same period the commercial needs of Brazil were supplied by the following countries, with the value of the goods imported from each :—

Countries.	1915.	1916.
Argentina	£4,786,028	£5,675,425
American possessions	—	9,150
Austria	39,678	304
British possessions	1,528,063	1,671,099
Belgium	51,177	57,959
Chile	19,822	11,871
China	34,902	53,657
Cuba	2,579	4,305
Denmark	131,652	228,666
Dutch possessions	—	30,954
France	1,486,525	2,095,378
French possessions	—	3,558
Germany	458,285	17,729
Great Britain	6,596,897	8,228,984
Greece	3,221	7,145
Holland	206,807	241,562
Italy	1,327,013	1,410,597
Japan	10,759	23,321
Mexico	142,500	257,270
Norway	500,095	411,104
Paraguay	66,690	41,684
Peru	2,931	4,437
Portugal	1,490,323	1,872,049
Portuguese possessions	—	7,887
Russia	12,358	15,811
Spain	431,883	469,222
Sweden	265,436	226,482
Switzerland	318,453	512,430
Turkey	4,413	3,338
United States	9,651,306	15,840,606
Uruguay	447,344	600,566
Other countries	70,651	35,600
Total	£30,088,391	£40,369,436

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It is interesting to note, in view of the above figures, that during the three years previous to the outbreak of the war the annual average of the importation from the principal belligerent countries was as follows:

Countries.	Average Annual Importation into Brazil, c.i.f., 1911–13.
Austria-Hungary	£900,000
Belgium	3,000,000
France	5,600,000
Germany	10,500,000
Great Britain	16,000,000
Italy	3,300,000
Portugal	3,000,000
Russia	60,000
United States	9,000,000

The gradual development of Brazilian foreign trade since the first publication of official statistics is demonstrated by the following table of annual average values:

ANNUAL AVERAGE VALUE.

Years.	Exports.	Imports.	Total.
	£	£	£
1834–1840	5,342,000	6,178,000	11,520,000
1841–1850	5,468,000	6,100,000	11,568,000
1851–1860	10,201,000	11,528,000	21,729,000
1861–1870	14,753,000	13,037,000	27,790,000
1871–1880	20,184,000	16,688,000	36,872,000
1881–1890	22,769,000	19,881,000	42,650,000
1891–1900	33,330,000	29,869,000	63,199,000
1901–1910	47,622,000	31,884,000	79,506,000
1911–1916	60,141,000	48,224,000	108,365,000

Commerce during 1917 (*January–June*).

Perhaps the most satisfactory feature of these figures is the consistent progress shown both on the import and export sides. The war had naturally affected Brazilian trade, but the returns for the first half of the

current year are not unsatisfactory. They show that the value of the foreign trade was as follows:

	£
Imports into Brazil..	19,769,000
Exports from Brazil	30,567,000
Total	50,326,000

We may now glance at some of the trade statistics of the most important States, beginning with São Paulo.

The following table shows the value of imports into São Paulo, arranged according to the countries of origin, for 1912–13:

Countries.	1912. Milreis.	1913. Milreis.
United Kingdom	59,327,856	58,460,306
Germany	47,470,418	49,335,729
United States	31,347,237	38,225,221
Italy	24,893,524	24,597,330
Argentina	20,802,900	22,111,063
France	19,548,463	26,505,464
Belgium	13,840,552	16,547,749
Portugal	9,399,737	10,028,655
Austria-Hungary	3,803,896	4,698,914
Other countries	18,263,721	22,592,757
Total	248,698,304	273,103,188
Equivalent in sterling ..	£16,579,887	£18,206,879

The following table shows the imports into São Paulo, according to the value of articles, for 1912–13:

	1912. Milreis.	1913. Milreis.
Cotton in bulk and manufactured	19,838,816	16,414,192
Steel and iron, raw and manufactured	32,183,988	36,823,197
Industrial machinery ..	5,844,926	5,877,362
Agricultural machinery ..	705,225	752,089
Other machinery and tools ..	25,836,450	27,746,235
Chemical products, drugs, and pharmaceutical products ..	6,158,853	5,877,793

	1912. Milreis.	1913. Milreis.
Skins and leather, cured and manufactured	6,218,849	7,673,857
Jute and hemp—		
Thread for weaving ..	1,639,686	1,272,098
In bulk	2,762,179	4,427,827
Coal	10,095,554	11,147,582
Kerosene	2,062,041	2,735,907
Rice	46,838	12,221
Codfish	3,325,421	4,598,512
Flour	7,642,401	3,699,153
Grain, wheat	13,211,890	17,849,577
Wine of all kinds	15,304,341	16,408,012
General commodities.. ..	18,524,337	18,031,534
Bullion, coin, etc.	120,914	153,765
Total	248,698,304	273,103,188
Equivalent in sterling ..	£16,579,887	£18,206,879

NOTE.—The above figures are quoted in paper money. Equivalent in gold :

	Milreis.
1912	147,376,770
1913	161,838,926

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE AT THE PORT OF SANTOS DURING THE YEARS 1912–13.

Entered.

Nationality.	1912.		1913.	
	Vessels.	Tonnage.	Vessels.	Tonnage.
Brazilian	631	510,716	643	524,348
British	438	1,537,345	515	1,939,931
Italian	179	610,202	176	584,138
German	174	526,735	219	796,578
French	119	370,444	122	356,996
Austro-Hungarian.. ..	71	226,628	61	189,320
Dutch	56	231,437	52	230,802
Spanish	32	112,898	33	114,854
Other nationalities ..	61	102,911	110	211,374
Total	1,761	4,229,316	1,931	4,948,341

RETURN OF ALL IMPORTS TO PERNAMBUCO DURING THE YEAR 1913.

From the United Kingdom.

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Steel ingots	..	60	..	..	..	..	..	..
Sulphuric acid	245	120	..	..	..	..	..	..
Motor-car accessories ..	12	..	..	..	..	..	..	..
Engine accessories	1	28	..	..	..	..	..	..
Turpentine	75	..	..	..	10	..	..	..
Mineral water	268	..	..	..	..	..	..	..
Tonic Water	120	..	..	..	..	..	..	..
Alkali	12	..	..	..	..	..	..	..
Canary seed	..	..	150	..	..	..	..	..
Angles for iron bars	14	..	..	..	..	..	..	..
Indigo	6	..	..	..	..	..	..	..
White lead	..	46	..	..	..	..	..	..
Telephones	8	..	..	..	..	..	..	..
Iron ropes	26	1,634	..	..	..	..	..	..
Arrowroot	95	..	..	..	..	..	..	..
Samples	56	848	..	..	..	..	..	..
Snares	125	..	..	..	..	..	..	..
Haberdashery	601	98	..	..	..	..	..	..
Fire-arms	1	..	..	..	..	..	..	..
Iron wire	1	4	..	..	..	..	..	..
Rice	..	..	55	..	..	..	..	..
Agricultural implements ..	23	236	..	..	..	..	..	..

Cotton goods	17	..	..	..	..	..	..	..
Rubber goods	20	..	..	..	..	..	..	..
Celluloid goods	23	..	..	..	10	..	..	..
Saddlery goods	3	..	..	..	..	..	..	..
Copper goods	8	600	..	..	..	..	..	..
Sundry goods	247	173	..	1	2	..	..	..
Kitchen utensils	2	..	..	..	..	..	..	..
Stationery	40	1	..	..	..	..	..	..
Electric fittings	23	..	..	..	..	..	..	..
Chemical goods	11	..	..	..	..	..	..	..
Sundry iron goods	6	3	..	..	..	..	..	..
Brass goods	1	..	..	..	..	..	..	..
Woollen goods	8	..	..	..	..	..	..	..
Linen goods	7	..	..	..	..	..	..	..
Perfumery	118	..	..	..	..	..	..	..
Articles of piety	2	..	..	..	..	..	..	..
Shoemaking tools	3	..	..	..	..	..	..	..
Silk goods	3	..	..	..	..	..	..	..
Machinery for sugar factories	..	166	..	..	..	..	..	..
Blue	72	..	..	..	..	..	..	..
Codfish	89	..	..	..	25,271	..	..	..
Steel and iron bars	..	569	..	..	..	..	..	..
Clay, fireproof	..	131	..	..	..	..	..	..
Empty barrels	..	25	..	..	..	..	..	..
Alcoholic beverages	3,018	..	..	..	..	..	..	..
Biscuits	40	..	..	..	..	..	..	..
Pumps, high pressure ..	1	..	..	..	..	..	..	..
Bicarbonate of soda	13	20	..	..	20	..	..	..
Leather bags	3	..	..	..	..	..	..	..

FROM THE UNITED KINGDOM—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Telegraph cables	2	..	..	..	..	..	..	..
Jute ropes	2	..	..	33	..	..	..	..
Earthenware pipes	294	..	..	..	..	..	..	..
Lime	70	120	..	..	..	664	..	..
Boots and shoes	8	5	..	..	..	..	..	..
Iron bedsteads	19	31	..	..	..	..	..	..
Zinc cars	..	14,130	..	..	..	..	..	..
Iron wagons	..	12,663	..	..	..	..	..	..
Cinnamon	105	..	..	..	..	..	..	..
Preserved meat	10	..	..	..	..	..	..	..
Coal	..	..	..	..	..	..	84,758	..
Carbonates	65	..	..	..	..	40	..	..
Catalogues	2	..	..	..	..	..	..	..
Beer	239	..	..	..	..	..	..	..
Onions..	205	..	..	..	..	..	..	..
Tea	2,686	..	..	..	..	..	..	..
Iron plates	..	4,643	..	..	..	..	..	..
Champagne	10	..	..	..	..	..	..	..
Hats	38	..	..	..	..	..	..	..
Chocolate	31	..	..	..	..	..	..	..
Lead in bars	..	100	..	..	..	..	..	..
Cement	..	..	..	..	5,751	..	..	..
Safes	27	..	..	..	..	..	..	..
Wreaths	12	..	..	..	..	..	..	..

Leather and straps	28	..	..	..	..	..	..	..	..
Mixed pickles	333	25	..	..	..	..	..	..	..
Cutlery	12	14	..	..	..	..	..	..	..
Empty baskets	..	310	..	..	..	..	..	..	..
Crystallized sweets	22	..	..	..	..	..	..	..	..
Drugs	164	34	..	..	..	..	..	..	..
Brimstone (sulphur)	152	..	..	..	81	..	..	..	..
Infants' food	67	..	..	..	23	..	..	..	..
Dry goods	2	..	..	..	..	..	..	..	..
Hardware	719	3,891	..	..	857	..	..	..	..
Galvanized iron	..	452	..	..	..	..	..	..	..
Patterns, fashion	10	..	..	..	..	..	..	..	..
Filters	3	..	..	..	..	..	..	..	..
Jute yarn	..	..	..	831	..	..	..	..	..
Sheet iron	121	285	..	..	..	..	..	..	..
,, lead	95	..	..	..	..	..	..	..	..
Tin plates	10,853	..	..	..	..	..	..	..	..
Fruits	143	112	..	..	15	..	..	..	..
Gasolene	167	..	..	..	..	..	..	..	..
Plaster of Paris	11	..	..	..	..	..	..	..	..
Glue	5	..	..	..	..	..	..	..	..
Grease	47	6	..	..	..	..	..	..	..
Kola champagne	150	..	..	..	..	..	..	..	..
Motor launches	..	1	..	..	..	..	..	..	..
Lamps	1	5	..	..	..	..	..	..	..
Condensed milk	250	..	..	..	..	..	..	..	..
Books	20	..	..	..	..	..	..	..	..
Sandpaper	14	..	..	..	..	..	..	..	..
Locomotives	..	4	..	..	..	..	..	..	..

FROM THE UNITED KINGDOM—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Canvas	7	7	..	23	..	..	..	..
Earthenware	1,660	1,100	..	..	21	..	..	..
Butter	3,840	..	..	..	..	..	..	..
Machinery	433	1,095	..	..	..	..	..	..
Sewing machines	13	..	..	..	..	..	..	..
Agricultural engines	1	..	..	..	..	..	..	..
Typewriters	12	..	..	..	..	..	..	..
Marble	1	..	..	..	..	..	..	..
Railway accessories	..	7,127	..	..	..	..	..	..
Building materials	73	1,663	..	..	..	..	..	..
Electrical fittings	1	178	..	..	..	..	..	..
Telegraph accessories ..	..	190	..	..	..	..	..	..
Sundry goods	3,563	4,224	..	..	..	..	..	..
Metal goods	..	32	..	..	..	..	..	..
British sauces	35	..	..	..	..	..	..	..
Mustard	12	..	..	..	..	..	..	..
Motors	5	8	..	..	..	..	..	..
Windmills	..	2	..	..	..	..	..	..
Furniture	14	1	..	..	..	..	..	..
Linseed oil	53	211	..	..	306	..	..	..
Lubricating oil	12	163	..	..	145	..	..	..
Paper	65	5	..	107	..	..	..	..
Fodder	56	..	..	..	..	..	..	..
Motor-car accessories ..	5	33	..	..	..	..	..	..

Engine accessories	21	..	..	..	..	..	..	..
Kid leather	18	..	..	..	..	..	..	..
Paraffin	40	..	..	..	..	..	..	..
Gas fittings	1	..	..	..	..	..	..	..
Umbrella fittings	3	..	..	..	..	..	..	..
Preserved fish	80	..	..	..	..	..	..	..
Pianos	10	..	..	..	..	..	..	..
Pepper	13	..	..	..	..	..	..	..
Empty casks	..	2,976	..	..	..	..	..	..
White powder	..	..	..	..	..	100	..	..
Chinaware	..	..	..	..	200	..	..	..
Iron posts	..	450	..	..	..	..	..	..
Chemical goods	115	162	..	..	..	..	..	..
Nails and screws	25	..	..	..	..	..	..	..
Hams	180	..	..	..	..	..	..	..
Provisions	257	203	..	..	..	..	..	..
Cheese	6,061	588	..	..	..	..	..	..
Iron wheels	..	9	..	..	..	..	..	..
Metal polishes	1	..	..	..	..	..	..	..
Waste	20	..	..	3	..	..	..	..
Empty bags	..	10	..	..	..	..	..	..
Salt	100	..	..	..	..	..	..	..
Saltpetre	150	999	..	..	..	..	..	..
Tallow	..	..	..	..	2	..	..	..
Caustic soda	135	309	..	..	480	..	..	167
Drying powder	1	..	..	..	..	..	..	..
Sulphates	2	50	..	..	..	..	..	..
Iron tanks	..	41	..	..	..	..	..	..
Tapioca	5	..	..	..	..	..	..	..

FROM THE UNITED KINGDOM—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Carpets	3	1	..	..	..	..	..	..
Textile fabrics	717	1,499	..	292	..	..	..	..
Bricks	20	262	..	..	..	..	..	..
Inks and paints	440	492	..	..	176	..	..	..
Bacon	21	..	..	..	..	..	..	..
Rails	..	2,970	..	..	..	..	..	..
Tubes of iron and steel ..	13	931	..	..	..	..	..	..
Printing type	5	..	..	..	..	..	..	..
Grapes..	154	..	..	..	1,582	..	..	..
Brooms	1	..	..	..	..	..	..	..
Varnish	7	..	..	..	..	3	..	..
Candles	149	..	..	..	..	..	..	..
Glassware	298	27	..	..	2	..	..	..
Wine	347	..	..	..	540	..	..	..
Red lead	144	228	..	..	85	..	..	..
Total	42,090	69,839	205	1,290	35,579	807	84,758	167

Note.—From St. John's, Newfoundland, 100,294 drums and 111,908 half-drums codfish.

FROM THE UNITED STATES OF AMERICA.

Boiler accessories	4	..	..	..	..	..	..	..
Surgical implements ..	2	..	..	..	..	..	..	..
Zoophones	27	32	..	..	..	..	..	..

BAHIA.

To face p. 220.

Phosphoric acid	4	..	..	..	..	..	..	..
Carbolic acid	6	..	..	..	..	..	..	..
Staves	..	38	..	..	..	..	..	..
Nitro-muriatic acid	170	..	..	..	..	..	..	..
Ammonia	7	..	..	..	..	..	..	..
Samples	9	..	..	..	..	..	..	..
Wire	1	815	..	..	..	..	..	..
Barbed wire	..	15,205	..	2,462	..	..	..	..
Fire-arms	86	..	..	..	..	..	..	..
Iron ropes	..	18	..	..	..	..	..	..
Haberdashery	13	..	..	..	..	..	..	..
Aluminium goods	5	6	..	..	..	..	..	..
Cotton goods	36	..	..	..	..	..	..	..
Rubber goods	4	..	..	..	..	..	..	..
Sundry goods	232	80	..	..	..	..	..	..
Celluloid goods	3	..	..	..	..	..	..	..
Dental instruments	9	..	..	..	..	..	..	..
Kitchen utensils	55	..	..	..	..	..	..	..
Tin goods	100	..	..	..	..	..	..	..
Office fittings	15	9	..	..	..	..	..	..
Electrical materials	14	..	..	..	..	..	..	..
Iron goods	146	..	..	..	..	..	..	..
Silver goods	2	..	..	..	..	..	..	..
Glassware	61	49	..	..	14	..	..	..
Motor-cars	19	..	..	..	..	..	..	..
Codfish	..	..	..	..	20,634	..	..	..
Scales	11	7	..	..	..	..	..	..
Iron bars	1,944	..	..	..	..	..	..	..
Alcoholic beverages	3	..	..	..	..	..	..	..

FROM THE UNITED STATES OF AMERICA—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Benzene	31	..	..	..	..	..	..	..
Biscuits	2	..	..	..	..	..	..	..
Toys	58	41	..	..	..	..	..	..
Hydraulic pumps	40	45	..	..	..	..	..	..
Pitch	..	..	..	..	14,865	..	..	..
Burnishers	1	..	..	..	..	..	..	..
Manila ropes	2	..	..	..	..	..	..	..
Hawsers	1	..	..	..	..	..	..	..
Tackles	..	39	..	..	..	..	..	..
Cases for type	..	2	..	..	..	..	..	..
Boots	92	28	..	..	..	..	..	..
Iron bedsteads	..	2	..	..	..	..	..	..
Galvanized pipes	..	739	..	..	..	..	..	..
Carbide of calcium	..	..	..	..	5	885	..	..
Cartridges	212	..	..	..	..	..	..	..
Lamps	565	45	..	..	7	..	..	..
Iron plates	23	18	..	..	..	..	..	..
Seeds	10	..	..	..	..	..	..	..
Cement	..	..	..	..	10,044	..	..	..
Safes	1	..	..	..	..	..	..	..
Leather and straps	7	..	..	2	..	..	..	..
Mixed pickles	13	..	..	..	..	..	..	..
Condensers	4	..	..	..	..	..	..	..
Counterpanes	10	..	..	7	..	..	..	..

Cutlery	91	3,040	..	..	..	..	..	..
Catalogues	3	..	..	..	..	..	..	..
Cotton ginning machines ..	67	76	..	..	..	..	..	..
Crystallized sweets	1	..	..	..	..	..	..	..
Railway sleepers	359	..	..	..	..	..	..	..
Drugs	32	1	..	..	..	..	..	..
Lifts	10	..	..	..	..	..	..	..
Sulphuric ether	4	..	..	..	..	..	..	..
Wheat flour	700	..	19,750	..	125,547	..	..	..
Maize	3,304	..	2,500	..	10	..	..	..
Dry goods	18	..	..	..	..	..	..	..
Hardware	602	1,269	..	160	338	..	..	..
Galvanized iron	..	240	..	..	..	..	..	..
Tin plates	3,790	..	..	..	..	..	..	..
Cardboard	1	..	..	..	..	..	..	..
Zinc sheets	1	1	..	..	..	..	..	..
Stoves	..	23	..	..	..	..	..	..
Rockets	92	192	..	..	..	..	..	..
Phosphates	39	..	..	..	..	..	..	..
Powder (formicida)	9	..	..	..	..	..	..	..
Dry and green fruits.. ..	239	51	..	..	..	..	..	..
Gasolene	28,881	..	..	..	..	1,100	..	..
Empty bottles	..	..	4	..	..	..	..	..
Ice safes	6	..	..	..	..	..	..	..
Chalk	..	..	..	..	2	..	..	..
Starch	2	..	..	..	..	..	..	..
Grease	14	453	..	..	70	..	..	..
Agricultural implements ..	49	104	..	..	..	..	..	..
Lanterns	53	..	..	..	..	..	..	..

FROM THE UNITED STATES OF AMERICA—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Books	500	..	..	..	..	..	..	..
Locomotives	3	..	..	..	..	..	..	..
Canvas	1	6	..	5	..	..	..	..
Earthenware	..	4	..	..	..	..	..	..
Machinery	887	1,525	..	..	..	..	..	..
Sewing machines	5	1,078	..	..	..	..	..	..
Typewriters	66	16	..	..	..	..	..	..
Cash registering machines ..	6	..	..	..	..	..	..	..
Shearing machines	1	..	..	..	.	..	..	..
Building materials	38	1,414	..	..	478	..	..	..
Railway materials	73	21	..	..	..	..	..	..
Electrical materials	54	58	..	..	..	..	..	..
Photographic materials ..	7	..	..	..	..	..	..	..
Car materials	..	124	..	..	..	..	..	..
Medicines	145	117	5	..	..	..	..	..
Metalwork	19	5	..	..	..	..	..	..
Sundry goods	303	831	..	..	..	..	..	..
Coffee-mills	..	22	..	..	..	..	..	..
Windmills	66	62	..	..	..	..	..	..
Sugar-mills	23	17	..	..	..	..	..	..
Mosquito nets	22	..	..	..	..	..	..	..
Motors..	3	1,530	..	..	..	..	..	..
Furniture	23	2	..	..	..	..	..	..
Lubricating oil	353	504	..	..	755	2	..	..

Cod-liver oil	10	6	..	..	..	..	..	..
Mineral oil	393	31	..	..	..	..	..	..
Petroleum (kerosene) ..	231,832	..	..	..	..	..	..	..
Tarpaulins	12	..	..	..	..	..	..	..
Ironwork	667	189	..	..	..	..	..	..
Paper	16	50	..	..	..	..	..	..
Perfumery	16	..	..	..	..	..	..	..
Preserved fish	10	6	..	..	..	..	..	..
Engine oil	..	200	..	..	250	..	..	..
Pianos	19	..	..	..	..	..	..	..
Motor-car accessories ..	133	..	..	..	..	..	..	..
Boots, accessories	222	113	..	..	..	..	..	..
Carriages, accessories ..	..	43	..	..	..	..	..	..
Machines, accessories ..	77	95	..	..	..	..	..	..
Motors, accessories	16	..	..	..	..	..	..	..
Copying-presses	11	84	..	..	..	..	..	..
Nails and screws	240	59	..	..	859	..	..	..
Metal polishes	33	38	..	..	..	..	..	..
Cotton-presses	..	28	..	..	..	..	..	..
Chemical products	323	327	..	..	..	..	..	..
Hams	5	..	..	..	..	..	..	..
White powder	2	..	..	..	..	..	..	..
Provisions	7	..	..	..	..	..	..	..
Stone-breakers	..	4	..	..	..	..	..	..
Residue of petroleum ..	..	..	..	..	810	..	..	..
Watches	195	197	..	..	..	..	..	..
Hammocks	1	..	..	..	..	..	..	..
Oars	..	10	..	..	..	..	..	..
Resin	..	..	..	..	100	..	..	..

FROM THE UNITED STATES OF AMERICA—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Wheels	2	57	..	..	..	..	..	..
Soap	3	..	..	..	..	..	..	..
Pallow	..	..	..	..	40	..	..	..
Tot-herb seeds	20	..	..	..	..	..	..	..
Silex	..	160	..	..	100	..	..	..
Grape juice	67	..	..	..	..	..	..	..
Sherbet machines	3	..	..	..	..	..	..	..
Pine logs	..	1,492	..	..	..	..	..	..
Gas-tanks	2	..	..	..	..	..	..	..
Fabric	27	..	..	..	..	..	..	..
Inks and paints	56	24	..	..	..	..	..	..
Bacon	30	..	..	..	495	..	..	..
Iron and steel rails	..	22,817	..	..	..	..	..	..
Turpentine	50	..	..	..	..	..	..	..
Printing type	2	..	..	..	..	..	..	..
Bicycles	33	15	..	..	..	..	..	..
Varnish	7	6	..	..	..	..	..	..
Glassware	5	..	..	..	..	..	..	..
Wagons	..	30	..	..	..	..	..	..
Red lead	..	..	..	..	8	..	..	..
Total	279,572	56,085	22,259	2,636	175,431	1,987	..	..

FROM GERMANY.

Accordions	5	11	..	..	..	..	..	..	..
Staves	150	..	..	..	..	..	..	..	..
Turpentine	50	..	..	..	..	..	..	..	..
Tar	..	..	..	..	30	..	..	..	..
White lead	..	..	..	..	50	..	..	..	..
Samples	25	332	..	13	..	..	..	..	..
Barbed wire	..	2,762	..	..	..	..	..	..	..
Haberdashery	93	59	..	..	..	..	..	..	..
Fire-arms	50	..	..	..	..	..	..	..	..
Rice	..	..	3,123	..	..	..	..	..	..
Cotton goods	170	6	..	..	..	..	..	..	..
Celluloid goods	1	..	..	..	..	..	..	..	..
Leather goods	3	..	..	..	..	..	..	..	..
Dry goods	..	528	..	..	..	..	..	..	..
Sundry goods	166	144	..	..	..	..	..	..	..
Photographic goods	2	13	..	..	..	..	..	..	..
Electrical materials	10	289	..	..	..	..	..	..	..
Glassware	877	26	..	..	..	..	..	..	..
Motor-cars	1	..	..	..	..	..	..	..	..
Blue	11	..	..	..	..	..	..	..	..
Codfish	496	..	..	..	110	..	..	..	..
Empty barrels	..	50	..	..	..	..	..	..	..
Potatoes	4,065	..	..	..	..	..	..	..	..
Hydraulic pumps	..	4	..	..	..	..	..	..	..
Rubber goods	1	..	..	..	..	..	..	..	..
Toys	42	18	..	..	..	..	..	..	..
Pipes	1	..	..	..	..	..	..	..	..

FROM GERMANY—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Boots and shoes	11	..	..	..	..	..	..	..
Cinnamon	50	100	..	..	..	..	..	..
Carbide of calcium	..	..	..	..	7,500	1,270	..	..
Visiting cards..	2	..	..	..	..	..	..	..
Coal	..	..	267	..	..	..	400	..
Tea	20	..	..	..	..	..	..	..
Hats	9	..	..	..	..	..	..	..
Small shot	..	395	..	..	..	..	..	..
Cement	..	..	..	..	18,887	..	..	..
Woollen counterpanes ..	26	4	..	..	..	..	..	..
Indiarubber	6	..	..	..	..	..	..	..
Leather and straps	7	..	..	..	..	..	..	..
Mixed pickles	17	..	..	..	..	..	..	..
Strings for musical instruments	3	..	..	..	..	..	..	..
Disinfectants	268	19	..	..	..	..	..	..
Cutlery	6	60	..	..	..	..	..	..
Drugs	28	132	..	..	..	..	..	..
Looking-glasses	23	..	..	..	..	..	..	..
Brimstone (sulphur)	..	..	..	..	50	..	..	..
Patent food	15	..	..	..	..	..	..	..
Hardware	48	1,717	..	..	200	..	..	..
Fodder	..	128	..	..	..	..	..	..
Iron wire	23	..	..	..	..	..	..	..

Empty bottles	34	100	..	..	..	..	..	..
Gin	250	..	..	..	..	..	..	..
Plaster	..	50	..	..	..	..	..	..
Chalk	..	..	10	..	..	..	..	..
Gum	61	..	..	..	..	..	..	..
Harmoniums	18	..	..	..	..	..	..	..
Printed matter	1	..	..	..	..	..	..	..
Surgical appliances	1	..	..	..	..	..	..	..
Lamps	14	..	..	..	..	..	..	..
Fans	..	163	..	..	..	..	..	..
Lysol	10	..	..	..	..	..	..	..
Locomotives	..	20	..	..	..	..	..	..
Earthenware	89	77	..	..	..	..	..	..
Timber	..	1,100	..	..	..	..	..	..
Butter	78	..	..	..	..	..	..	..
Machinery	98	1,475	..	..	..	..	..	..
Sewing-machines	290	..	..	..	..	..	..	..
Building materials	..	1,239	..	..	..	..	..	..
Sundry materials	1,520	3,290	..	..	..	..	..	..
Furniture	68	26	..	..	..	..	..	..
Music records	3	..	..	..	..	..	..	..
Ochre	..	65	..	..	..	..	..	..
Oil	..	20	..	..	84	..	..	..
Linseed oil	..	..	..	..	10	..	..	..
Paper	75	17	..	1,812	..	..	..	..
Cigarette paper	12	..	..	..	..	..	..	..
Cardboard	22	14	..	66	..	..	..	..
Paraffin	10	..	..	..	..	..	..	..
Combs	2	..	..	..	..	..	..	..

FROM GERMANY—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Perfumery	18	..	..	..	..	..	..	..
Motor-car accessories ..	..	85	..	..	..	..	..	..
Pumps, accessories	1	..	..	..	..	..	..	..
Engines, accessories	..	217	..	..	..	..	..	..
Lamps, accessories	..	89	..	..	..	..	..	..
Pianos	31	..	..	..	..	..	..	..
Pepper	200	3	575	..	..	..	..	..
Pine logs	..	1,104	..	..	..	..	..	..
Empty casks	..	400	..	..	..	..	..	..
Chinaware	14	135	..	..	..	..	..	..
Chemical products	115	615	..	..	..	..	..	..
Potassium	..	10	..	..	..	..	..	..
Provisions	256	9	..	..	..	..	..	..
Cheese	..	4	..	..	2	..	..	..
Watches	..	4	..	..	..	..	..	..
Corks	..	..	57	..	..	..	..	..
Bitter salt	..	100	..	..	..	..	..	..
Saltpetre	..	..	..	..	790	..	..	..
Fruit syrup	1	..	..	..	..	..	..	..
Isinglass	13	..	..	..	..	..	..	..
Carpets	..	3	..	..	..	..	..	..
Textiles	7	97	..	..	..	..	..	..
Tiles	..	1,298	..	..	..	..	..	..
Inks and paints	32	29	..	..	20	..	..	..

Rails	..	800	..	..	..	..	..	..
Iron tubs	..	1,825	..	..	..	..	..	..
Vaseline	31	..	..	..	..	..	..	..
Vinegar	3	..	..	..	..	..	..	..
Wine	3	..	..	..	5	..	..	..
Total	10,162	21,280	4,032	1,891	27,738	1,270	400	..

FROM FRANCE.

Sulphuric acid	36	20	..	..	..	..	..	..
Boilers, accessories	..	29	..	..	..	..	..	..
Engine accessories	17	55	..	..	..	..	..	..
Mineral water	310	..	..	..	..	..	..	..
Almanacs	6	..	..	..	..	..	..	..
Samples	6	..	..	..	..	..	..	..
Arrowroot	6	..	..	..	..	..	..	..
Haberdashery	87	26	..	..	..	..	..	..
Celluloid goods	..	2	..	..	..	..	..	..
Copper goods	1	..	..	..	..	..	..	..
Iron goods	1	..	..	..	..	..	..	..
Linen goods	1	..	..	..	..	..	..	..
Sundry goods	647	584	..	..	..	..	..	..
Motor-cars	..	3	..	..	..	..	..	..
Olive oil	11	..	..	..	..	..	..	..
Potatoes	100	..	..	..	..	..	..	..
Alcoholic beverages	1,697	..	..	..	..	..	..	..
Benzene	2	..	..	..	..	..	..	..

FROM FRANCE—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Pumps	..	21	..	..	..	..	..	..
Pipes	9	10	..	..	..	..	..	..
Boots	12	..	..	..	..	..	..	..
Chloroform	1	..	..	..	..	..	..	..
Chocolate	1	..	..	..	..	..	..	..
Safes	7	..	..	..	..	..	..	..
Mixed pickles	163	..	..	..	..	..	..	..
Wreaths	13	..	..	..	..	..	..	..
Leather and straps	37	..	..	..	..	..	..	..
Visiting cards	6	..	..	..	..	..	..	..
Cutlery	1	..	..	..	..	..	..	..
Champagne	94	..	..	..	2	..	..	..
Crystallized sweets	1	..	..	..	..	..	..	..
Drugs	62	1,304	..	..	..	..	..	..
Chemical flour	34	..	..	..	..	..	..	..
Hardware	6	68	..	..	..	..	..	..
Ironwork	6	65	..	..	..	..	..	..
Wire	3	..	..	..	..	..	..	..
Dried fruits	964	..	..	..	..	..	..	..
Empty bottles	46	..	..	..	..	..	..	..
Generators	..	22	..	..	..	..	..	..
Sports requisites	1	..	..	..	..	..	..	..
Chemical goods	9	..	..	..	..	..	..	..
Vegetables	9	..	..	..	..	..	..	..
Books	20	..	..	..	..	..	..	..
Earthenware	57	21	..	..	..	..	..	..

Machinery	39	19	..	..	..	..	..	..
Butter	805	..	..	..	..	..	..	..
Building materials	5	894	..	..	..	..	..	..
Accessories for sugar factories	1	218	..	..	..	..	..	..
Patent food	6	109	..	..	..	..	..	..
Motor cycles	1	5	..	..	..	..	..	..
Ochre	..	..	..	..	125	..	..	..
Motor oil	40	..	..	..	..	..	..	..
Paper	3	..	..	18	..	..	..	..
Raisins	..	..	..	..	10	..	..	..
Kid leather	39	..	..	..	..	..	..	..
Combs	16	..	..	..	..	..	..	..
Perfumery	51	7	..	..	..	..	..	..
Pianos	1	..	..	..	..	..	..	..
Chinaware	..	6	..	..	..	..	..	..
Copper sheets	..	81	..	..	..	..	..	..
Nails	..	10	..	..	..	..	..	..
Chemical products	1	494	..	..	..	..	..	..
Corks	..	..	..	13	..	..	..	..
Sardines	22	..	..	..	..	..	..	..
Dates	6	..	..	..	..	..	..	..
Carpets	1	..	..	..	..	..	..	..
Textiles	25	28	..	..	..	..	..	..
Metallic tiles	9	..	..	..	..	..	..	..
Ink	1	..	..	..	..	2	..	..
Glassware	5	10	..	..	2	..	..	..
Vinegar	310	..	..	..	5	..	..	..
Wine	1,558	..	..	..	443	..	..	..
Total	7,435	4,111	..	31	587	2	..	..

From Belgium

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Rails and accessories ..	266	95	..	..	..	..	..	..
Electrical accessories ..	1	7	..	..	..	..	..	..
Sulphuric acid	..	..	..	..	..	129	..	..
Mineral water	522	..	..	..	..	..	..	..
White lead	86	..	..	..	320	..	..	..
Samples	1	..	..	..	..	..	..	..
Iron ropes	..	256	..	..	..	..	..	..
Copper wire	6	..	..	..	..	..	..	..
Barbed wire	11	1,107	..	..	..	..	..	..
Umbrella fittings	1	..	..	..	..	..	..	..
Fire-arms	44	40	..	..	..	..	..	..
Arsenic	..	..	..	..	1,000	..	..	..
Cotton goods	5	..	..	..	..	..	..	..
Photographic goods	4	..	..	..	..	..	..	..
Iron goods	7	..	..	..	..	..	..	..
Brass goods	2	..	..	..	..	..	..	..
Sundry goods	47	..	..	..	..	..	..	..
Zinc goods	..	184	..	..	..	..	..	..
Motor-cars	1	..	..	..	..	..	..	..
Blue	68	7	..	..	..	..	..	..
Steel bars	..	88	..	..	..	..	..	..
Iron bars	..	2,952	..	..	..	..	..	..
Confectionery	2	..	..	..	..	..	..	..
Rubber goods	3	..	..	..	..	..	..	..

Buttons	4	..	..	..	..	..	..	..
Carbonates	25	..	..	..	..	..	..	..
Cartridges	29	..	..	..	..	..	..	..
Visiting and other cards ..	23	27	..	37	..	..	..	..
Catalogues	1	6	..	..	..	..	..	..
Wax, candles, etc.	130	..	..	..	..	..	..	..
Hats	1	..	..	..	..	..	..	..
Cement	..	..	..	..	600	..	..	..
Counterpanes	5	..	..	..	..	..	..	..
Leather	3	..	..	..	..	..	..	..
Wreaths	9	..	..	..	..	..	..	..
Cutlery	..	7	..	..	..	..	..	..
Drugs	..	26	..	..	..	..	..	..
Inks and paints	71	97	..	33	..	..	..	..
Lactea flour	55	..	..	..	..	..	..	..
Flour	..	..	..	..	54	..	..	..
Hardware	3,910	355	..	..	3	..	..	..
Refractory iron	12	18,079	..	..	..	..	..	..
Cotton yarn	2	..	..	..	..	..	..	..
Steel wire	..	51	..	..	..	..	..	..
Iron yarn	..	1,752	..	..	..	..	..	..
Electric wire	2	2	..	..	..	..	..	..
Tin plates	225	..	..	..	..	..	..	..
Sheet iron	..	543	..	..	..	..	..	..
Zinc plates	9	22	..	..	..	..	..	..
Crystallized fruits	6	..	..	..	..	..	..	..
Small shot	10	..	..	..	..	..	..	..
Glue	..	10	..	..	..	..	..	..
Chairs	53	380	..	..	..	..	..	..

FROM BELGIUM—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Fishplates	36	2,090	..	..	..	..	..	..
Lamps and accessories ..	176	..	..	..	..	..	..	..
Condensed milk	3,760	..	..	..	..	..	..	..
Thread	2	..	..	..	..	..	..	..
Books	12	..	..	..	..	..	..	..
Earthenware	10	301	..	..	..	..	..	..
Machinery	19	445	..	..	..	..	..	..
Printing machines	7	..	..	..	..	..	..	..
Building materials	..	9,145	..	..	..	..	..	..
Railway materials	..	826	..	..	..	..	..	..
Electrical materials	6	..	..	..	..	..	..	..
Blue	..	..	..	..	13	..	..	..
Sundry goods	993	3,901	..	..	..	..	..	..
Minerals	2	..	..	..	..	..	..	..
Ammunition	12	..	..	..	..	..	..	..
Mineral oil	281	35	..	..	15	..	..	..
Oxide of zinc	30	..	..	..	..	..	..	..
Candlesticks	..	1,943	..	..	..	..	..	..
Perfumery	2	..	..	..	..	..	..	..
Locomotives, accessories ..	..	12	..	..	..	..	..	..
Engines, accessories	7	115	..	..	..	..	..	..
Polishing pastes	1	..	..	..	..	..	..	..
Nails and screws	12	443	..	..	20	..	..	..
Cotton presses and accessories	27	..	..	..	..	..	..	..

Advertisements	26	..	..	..	..	..	..	..
Sulphite of soda	..	..	..	..	4	..	..	..
Steel drums	..	125	..	..	..	..	..	..
Textiles, fabric	67	33	..	..	..	..	..	..
Earthen tiles	400	..	..	..	..	..	..	..
Glass tiles	20	..	..	..	..	..	..	..
Bricks	..	..	..	..	..	..	30,000	..
Rails	..	1,057	..	..	..	..	..	..
Iron tubs	..	3,246	..	..	..	..	..	..
Vaseline	10	..	..	..	..	..	..	..
Glassware	116	599	..	..	..	..	..	..
Candles	25	..	..	..	..	..	..	..
Wine	5	..	..	..	..	..	..	..
Wagons	..	72	..	..	..	..	..	..
Total	11,764	50,481	..	760	2,029	129	30,000	..

FROM PORTUGAL.

Mineral water	214	..	..	..	..	..	..	..
Lavender	..	..	45	..	..	..	..	..
Garlic	..	..	..	2,295	..	..	..	..
Almonds	7	..	..	..	10	..	..	..
Samples	6	..	..	..	..	..	..	..
Cotton goods	1	..	..	..	..	..	..	..
Copper goods	4	..	..	..	..	..	..	..
Sundry goods	125	135	15	..	..	..	..	..

FROM PORTUGAL—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Oats	..	..	15	..	..	..	..	..
Olive oil	1,706	..	..	..	17	..	..	..
Olives	407	..	..	..	2	..	..	..
Blue	15	..	..	..	..	..	..	..
Codfish	13	..	..	..	..	..	..	..
Willow twigs	10	20	..	..	..	..	..	..
Scales	1	..	..	..	..	..	..	..
Potatoes	7,992	..	..	..	..	..	..	..
Blocks of stone	..	27	..	..	..	..	..	..
Buttons	4	..	..	..	..	..	..	..
Lime	..	..	..	..	720	1,290	..	..
Hemp yarn	..	2	..	..	..	..	..	..
Mats	..	..	..	8	..	..	..	..
Preserved meat	40	..	..	..	..	..	..	..
Chestnuts	145	..	..	..	..	..	..	..
Onions	3,802	..	..	..	..	..	..	..
Champagne	20	..	..	..	..	..	..	..
Marble slabs	..	30	..	..	..	..	..	..
Hats	1	..	..	..	..	..	..	..
Potted meat	5	..	..	..	..	..	..	..
Safe	1	..	..	..	..	..	..	..
Cognac	42	..	..	..	..	..	..	..
Spices	17	..	227	..	..	..	..	..
Mixed pickles	575	..	..	..	..	..	..	..

Drugs	79	21	..	..	..	..	..	..
Flour	2	..	6	..	..	..	..	..
French beans	..	..	63	..	..	..	..	..
Fodder	50	280	..	..	..	..	..	..
Dried figs	15	..	..	..	..	..	..	..
Green fruits	2,225	1,676	..	..	..	..	..	..
Sacred pictures	1	..	..	..	..	..	..	..
Printed matter	1	..	..	..	..	..	..	..
Washing stands	1	..	..	..	..	..	..	..
Vegetables	367	78	8	..	..	..	..	..
Books	15	..	..	..	..	..	..	..
Earthenware	1	3	..	..	..	..	..	..
Woodwork	1	..	..	..	..	..	..	..
Marmalade	1	..	..	..	..	..	..	..
Tomato paste	1	..	..	..	..	..	..	..
Medicines	20	..	..	..	..	..	..	..
Maize	1	..	..	..	..	..	..	..
Furniture	10	43	..	..	..	..	..	..
Nuts	1	..	..	..	..	..	..	..
Toothpicks	309	..	..	..	..	..	..	..
Paper	..	..	..	133	..	..	..	..
Raisins	153	..	..	..	10	..	..	..
Stone for mills	..	460	..	..	..	..	..	..
Preserved fish	99	..	..	..	42	..	..	..
Hams	2	..	..	..	..	..	..	..
Chemical products	..	22	..	..	..	..	..	..
Provisions	19	51	..	..	1	..	..	..
Advertisements	4	..	..	..	..	..	..	..
Corks	..	..	264	192	..	..	..	..

FROM PORTUGAL—*continued.*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Ready-made clothes ..	4	..	..	..	..	..	..	..
Sardines	1,425	76	..	..	817	..	..	..
Pot-herb seeds	..	..	1	..	..	..	..	..
Grape juice	2	..	..	..	..	..	..	..
Carpets	..	..	..	1	..	..	..	..
Earthen tiles	..	6,000	..	..	..	..	..	..
Inks and paints	..	24	..	..	..	..	..	..
Grapes	69	..	..	..	391	..	..	..
Glassware	..	27	..	..	..	..	..	..
Vinegar	2	..	..	..	1,483	..	..	..
Wine	23,082	..	..	..	19,906	..	..	67
Total	43,115	8,975	644	2,629	23,399	1,290	..	67

FROM THE NETHERLANDS.

Sal-ammoniac	100	..	..	..	..	..	..	..
Stationery	11	..	..	..	..	..	..	..
Iron goods	12	14	..	..	..	..	..	..
Codfish	50	..	..	25	..	..	..	..
Potatoes	400	..	..	..	..	..	..	..
Cartridges	2	..	..	..	..	..	..	..
Hardware	6	2	..	..	..	..	..	..

Gin	145	..	..	..	..	..	..	..
Lamps	3	..	..	..	..	..	..	..
Books	7	..	..	..	..	..	..	..
Earthenware	75	26	..	..	..	..	..	..
Machinery and accessories ..	18	102	..	..	..	..	..	..
Sundry goods	152	49	..	..	..	..	..	..
Paper	..	..	538	..	..	..	..	..
Cardboard	..	15	..	..	..	..	..	..
Perfumery	2	..	..	..	..	..	..	..
Cheese	37	16	..	..	..	..	..	..
Sardines	145	..	..	..	..	..	..	..
Tubes for boilers	..	4	..	..	..	..	..	..
Inks and paints	14	..	..	4	..	..	..	..
Total	1,179	228	538	29	..	..	..	..

FROM ITALY.

Olive oil	6	..	..	..	..	..	..	..
Buttons	3	..	..	..	..	..	..	..
Pipes	1	..	..	..	..	..	..	..
Straw hats	3	..	..	..	..	..	..	..
Wire	..	1	..	..	..	..	..	..
Machinery	..	10	..	..	..	..	..	..
Sundry goods	16	..	..	..	..	..	..	..
Engine accessories	1	..	..	..	..	..	..	..
Cheese	..	..	1	..	..	..	..	..

FROM ITALY—*continued*

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Textiles	11	..	..	..	..	..	..	..
Vermouth	50	..	..	..	..	..	..	..
Varnish	1	..	..	..	..	..	..	..
Wine	300	..	30	..	..	..	..	..
Spices	50	..	..	..	..	..	..	..
Total	442	11	31	..	..	..	..	..

FROM SPAIN.

	Cases.	Packages.	Bags.	Bales.	Barrels.	Drums.	Tons.	Casks.
Brandy	4	..	..	..	..	..	..	..
Almonds	..	4	..	..	..	..	..	..
Olive oil	104	..	..	..	..	..	..	..
Olives	1	..	..	..	..	..	..	..
Spices	..	..	5	..	..	..	..	..
Green fruits	577	..	..	..	..	..	..	..
Raisins	403	..	..	..	..	..	..	..
Grapes	..	..	140	..	..	..	..	..
Vinegar	..	..	8	..	..	..	..	..
Wine	210	..	42	..	..	..	..	..
Total	1,299	4	195	..	..	..	..	..

From Uruguay									
Animals, live	4	..	..	..	..		..	..
Alcoholic beverages	1	..	..	..	..	..	..	..
Straw hats	4	..	..	..	..	..	..	..
Flour	..	..	7,000	..	..	..	..	..
Sundry goods	2	23	15	..	..	..	..	..
Tallow	..	..	..	..	3,341	..	..	..
Textiles	7	..	..	..	..	..	..	..
Vinegar	..	..	..	..	600	..	..	..
Jerked beef	..	..	..	76,264	..	..	..	..
Total	18	23	7,015	76,264	3,941	..	..	..
From Argentina.								
Fodder	..	..	4,873	5,148	..	..	..	..
Canary seeds	..	..	1,450	..	..	..	..	..
Flour	..	..	270,567	..	88,200	..	..	..
Machinery	27	..	..	..	..	..	..	..
Sundry goods	150	5	..	..	..	..	..	..
Tallow	..	..	..	..	270	685	..	..
Jerked beef	..	..	..	11,638	..	..	..	..
Total	177	5	276,890	16,786	88,470	685	..	..
From Sweden.								
Steel	..	200	..	..	..	..	..	..
Paper	..	..	251	..	..	..	..	..
Total	..	200	251	..	..	..	..	..

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF PERNAMBUCO DURING THE YEAR 1912.

Steam Vessels—Entered.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British [1]	208	820,895	16	35,781	224	856,676
German	95	255,408	2	2,165	97	257,573
French	30	92,474	2	1,473	32	93,947
Austro-Hungarian .	13	20,421	—	—	13	20,421
Norwegian ..	4	8,832	—	—	4	8,832
Swedish	2	5,196	—	—	2	5,196
Danish	3	5,014	—	—	3	5,014
Dutch	—	—	3	117	3	117
Argentine	—	—	4	5,644	4	5,644
Spanish	1	1,721	—	—	1	1,721
Italian	5	9,136	1	1,834	6	10,970
Belgian	1	1,659	2	1,880	3	3,539
United States ..	1	2,192	2	334	3	2,526
Paraguayan ..	—	—	1	97	1	97
Uruguayan ..	—	—	1	42	1	42
Chilean	—	—	1	10	1	10
Total	363	1,222,948	35	49,377	398	1,272,325

Steam Vessels—Cleared.

British	185	773,351	37	81,835	222	855,186
German	96	258,745	2	2,165	98	260,910
French	30	92,474	1	1,425	31	93,899
Austro-Hungarian .	13	20,421	—	—	13	20,421
Norwegian ..	3	6,934	1	1,898	4	8,832
Swedish	2	5,196	—	—	2	5,196
Danish	2	3,870	1	1,144	3	5,014
Dutch	—	—	2	87	2	87
Argentine	—	—	4	5,644	4	5,644
Spanish	—	—	1	1,721	1	1,721
Italian	5	9,136	1	1,834	6	10,970
Belgian	1	1,867	2	1,672	3	3,539
United States ..	—	—	3	2,526	3	2,526
Paraguayan ..	—	—	1	97	1	97
Uruguayan ..	—	—	1	42	1	42
Chilean	—	—	1	10	1	10
Total	337	1,171,994	58	102,100	395	1,274,094

[1] Includes Pacific Steam Navigation Company and Royal Mail steamers calling at this port to land passengers and mails and sometimes cargo.

Sailing Vessels—Entered.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British	37	10,165	1	96	38	10,261
French	—	—	1	1,943	1	1,943
Norwegian ..	13	9,629	—	—	13	9,629
United States ..	1	210	—	—	1	210
Total	51	20,004	2	2,039	53	22,043

Sailing Vessels—Cleared (in Ballast).

	Vessels.	Tonnage.
British	38	10,261
French	1	1,943
Norwegian	12	8,684
United States	1	210
Total	52	21,098

RETURN OF ALL SHIPPING AT THE PORT OF PERNAMBUCO DURING THE YEARS 1910–12.

Entered.

Nationality.	Year.	Vessels.			Tonnage.
		Steam.	Sailing.	Total.	
British [1]	1910	238	46	284	736,046
	1911	235	44	279	829,402
	1912	224	38	262	866,937
German	1910	78	—	78	198,433
	1911	96	1	97	234,157
	1912	97	—	97	257,573
French	1910	35	—	35	101,983
	1911	30	—	30	92,291
	1912	32	1	33	95,890
Austro-Hungarian	1910	14	—	14	28,446
	1911	14	—	14	23,557
	1912	13	—	13	20,421
Norwegian	1910	3	11	14	8,747
	1911	2	12	14	11,455
	1912	4	13	17	18,461

[1] Includes Pacific Steam Navigation Company and Royal Mail steamers calling at this port to land passengers and mails.

RETURN OF SHIPPING AT THE PORT OF PERNAMBUCO—*continued.*

Entered—continued.

Nationality.	Year.	Vessels.			Tonnage.
		Steam.	Sailing.	Total.	
Swedish	1910	1	—	1	1,219
	1911	1	—	1	1,671
	1912	2	—	2	5,196
Danish	1910	2	1	3	4,623
	1911	1	—	1	2,333
	1912	3	—	3	5,014
Argentine	1911	2	2	4	2,682
	1912	4	—	4	5,644
Dutch	1910	6	—	6	2,013
	1911	1	—	1	14
	1912	3	—	3	117
Spanish	1910	3	—	3	4,622
	1911	2	—	2	4,051
	1912	1	—	1	1,721
Belgian	1911	2	—	2	2,284
	1912	3	—	3	3,539
United States	1912	6	—	6	10,970
Other nationalities	1910	5	—	5	2,981
	1911	1	1	2	2,733
	1912	6	1	7	2,885
	Cleared.				
British [1]	1910	240	42	282	739,042
	1911	237	49	286	833,003
	1912	222	38	260	865,447
German	1910	79	—	79	202,095
	1911	94	1	95	229,345
	1912	98	—	98	260,910
French	1910	35	—	35	101,983
	1911	30	—	30	92,291
	1912	31	1	32	95,842
Austro-Hungarian	1910	14	—	14	28,446
	1911	15	—	15	25,105
	1912	13	—	13	20,421
Norwegian	1910	4	9	13	9,732
	1911	1	13	14	10,574
	1912	4	12	16	17,516

[1] Includes Pacific Steam Navigation Company and Royal Mail steamers calling at this port to land passengers and mails.

RETURN OF SHIPPING AT THE PORT OF PERNAMBUCO—*continued.*

Cleared—continued.

Nationality.	Year.	Vessels.			Tonnage.
		Steam.	Sailing.	Total.	
Swedish	1910	1	—	1	1,219
	1911	1	—	1	1,671
	1912	2	—	2	5,196
Danish	1910	2	1	3	4,623
	1911	1	—	1	2,333
	1912	3	—	3	5,014
Argentine	1911	2	2	4	2,682
	1912	4	—	4	5,644
Dutch	1910	6	—	6	2,013
	1911	1	—	1	14
	1912	2	—	2	87
Spanish	1910	3	—	3	4,622
	1911	2	—	2	4,051
	1912	1	—	1	1,721
Belgian	1911	2	2	4	2,284
	1912	3	—	3	3,539
Italian	1912	6	—	6	10,970
United States	1912	3	1	4	2,731
Other nationalities	1910	5	—	5	2,981
	1911	1	1	2	2,733
	1912	3	—	3	149

The following table shows the total shipping of the port of Alagoas for the year 1912 :

Steam Vessels.

Nationality.	Vessels.	Tonnage.
British	37	82,381
German	14	30,264
Austro-Hungarian	5	7,636
Danish	2	2,815
Norwegian	1	2,097
United States	1	1,942
Brazilian	407	449,481
Total	467	576,616

Sailing Vessels.

	Vessels.	Tonnage.
British	8	1,704
German	1	369
Norwegian..	1	700
Swedish	1	377
Belgian	1	266
Total	12	3,416

The corresponding figures for the Port of Maceió are :

Steam Vessels—Entered (with Cargo).

From—	Vessels.	Tonnage.
United Kingdom	22	47,869
United States	5	13,412
Argentina	2	4,073
Germany	1	1,327
Total	30	66,681

The shipping figures of the port of Ceará for 1912 are as follows :

Steam Vessels—Entered.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British	27	59,615	3	4,040	30	63,655
German	14	25,162	—	—	14	25,162
Spanish	1	1,983	—	—	1	1,983
Total	42	86,760	3	4,040	45	90,800
Cleared.						
British	24	51,378	6	13,883	30	65,261
German	14	25,162	—	—	14	25,162
Spanish	—	—	1	1,983	1	1,983
Total	38	76,540	7	15,866	45	92,406

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF CABEDELLO DURING THE YEAR 1912.

Steam Vessels—Entered (with Cargo).

Nationality.	Vessels.	Tonnage.
British	18	40,384
German	11	20,554
Danish	1	1,144
Brazilian	2	3,329
Total	32	65,411

Steam Vessels—Cleared (with Cargo).

British	14	31,924
German	2	1,801
Total	16	33,725

Sailing Vessels—Entered (with Cargo) and Cleared (in Ballast).

Norwegian	3	2,529

RETURN OF BRITISH SHIPPING WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF CABEDELLO DURING THE YEAR 1912.

Steam Vessels—Entered (with Cargo).

From—	Vessels.	Tonnage.
United Kingdom	13	30,034
United States	2	4,388
Argentina	1	2,180
Germany	1	1,327
Uruguay	1	2,455
Total	18	40,384

Steam Vessels—Cleared (with Cargo).

To—		
United Kingdom	14	31,924

We may conclude with the principal recent imports of the important Amazon town of Pará.

Articles.	Year.		From Europe.	From United States.	From River Plate.	From Brazil.
Rice	1912	Bags	24,851	—	—	23,532
	1913	,,	18,394	—	—	23,116
	1914	,,	7,670	—	—	22,102
Salt	1912	,,	280,420	—	—	4,605
	1913	,,	210,912	38	—	1,000
	1914	,,	273,545	—	—	7,780
Potatoes ..	1913	Cases	108,923	—	—	—
	1914	,,	61,990	11,962	—	—
Cement ..	1912	Barrels	51,136	14,840	—	—
	1913	,,	42,892	150	—	—
	1914	,,	18,776	3,735	—	—
Soap ..	1912	Cases	17,625	—	4,884	7,881
	1913	,,	18,012	10	14,423	9,704
	1914	,,	9,664	—	13,143	9,314
Flour ..	1912	Barrels	—	80,612	—	—
	1913	,,	—	56,472	—	—
	1914	,,	—	39,858	250	—
	1912	Bags	—	44,109	7,535	—
	1913	,,	—	48,066	28,935	—
	1914	,,	—	79,743	11,620	—
Dried beef ..	1912	Bales	—	—	20,452	—
	1913	,,	—	—	60,516	23,171
	1914	,,	—	—	30,532	15,159
Maize ..	1912	Sacks	—	—	13,650	—
	1913	,,	—	—	37,496	—
	1914	,,	—	—	2,120	24,825
Hay	1912	Bundles	—	—	2,430	—
	1913	,,	—	—	37,496	—
	1914	,,	—	—	4,021	—
Kerosene ..	1912	Cases	—	213,164	—	—
	1913	,,	—	221,495	—	—
	1914	,,	—	199,360	—	—
Gasolene ..	1913	,,	—	15,838	—	—
	1914	,,	—	19,075	—	—

CHAPTER XVII

BRITISH INTERESTS IN THE VARIOUS REPUBLICS (*continued*)

British interests in Chile—The nitrate industry—Public enterprises—Chief British exports—Table illustrating recent Chilean imports—Volume of trade of the various countries concerned in this—Imports into Iquique—Imports into Coquimbo—Shipping of the ports of Coquimbo and Antofagasta—Shipping of all Chilean ports—Of Valparaiso—List of customs houses, etc.—Comparative importance of the various ports—The British interests in Peru—A favourable situation—The Peruvian Corporation—Trade of the British Dominions with Peru—Imports from India, Hong-Kong, Australia, and Canada—Statistics concerning the chief trade of Peru—Value of the various imports—Countries chiefly concerned in the trade—Their respective shares—Tables of values of the principal goods imported—Return of British shipping in the port of Callao.

ONE of the principal direct British interests in Chile is that of the nitrate industry in the north, a large number of the nitrate *oficinas* being British-owned.

Practically the sole railway interest which is exclusively Chilean possessed by the British is the Chilean Transandine line. This joins the Argentine Transandine among the heights of the Andes, and serves that part of the transcontinental route between that point and Los Andes, where the Chilean State Railway takes up the route. All the rest of the railways, with the exception of a few small, privately owned lines, are the property of the Chilean Government.

Owing to the amount of enterprise and energy shown by the Chileans a lesser number of great public enter-

prises are conducted by foreigners in that country than is the case in almost any other South American Republic. Nevertheless, a certain amount of British capital is invested in this way, although the majority of this is used in private business enterprise and in the Chilean mines.

Among the chief British exports are machinery, hardware, and cotton goods.

Some figures illustrating recent Chilean imports are :

	1912.	1913.
Animal products	£1,890,981	£1,612,660
Vegetable products	2,717,618	2,863,231
Mineral products	4,478,308	4,577,074
Industrial oils, fuels, etc. ..	3,698,372	4,073,666
Paper and manufactures ..	703,772	735,827
Perfumery, chemical products	604,628	624,873
Machinery, etc.	3,319,814	3,074,277
Arms and munitions	226,964	289,686
Textiles and manufactures ..	6,151,222	5,763,219
Miscellaneous..	1,322,429	1,099,322
	£25,084,108	£24,713,835

The following will show the respective volume of trade of the various countries exporting goods to Chile :

	1912.	1913.
Great Britain	£7,931,360	£7,403,207
Germany	6,819,672	6,077,700
United States	3,453,357	4,127,909
France	1,491,999	1,360,994
Belgium	641,640	1,165,362
Peru	989,883	988,433
Australia	620,496	687,089
Argentina	842,868	670,408
Italy	618,456	652,661
Spain	263,453	233,401
Other countries	1,410,924	1,346,721
	£25,084,108	£24,713,835

The following are the reports, both from Consular and Chilean official sources, of the trade of some of the Chilean ports and of the principal shipping movements :

TOTAL VALUE OF IMPORTS INTO IQUIQUE DURING THE YEARS 1911–13 BY COUNTRIES OF ORIGIN.

	1911.	1912.	1913.
From—	£	£	£
United Kingdom	767,633	710,376	803,327
Germany	213,862	236,703	360,185
United States	170,822	236,838	285,804
Belgium	54,982	95,773	84,549
Italy	44,585	57,866	51,873
France	50,095	77,264	78,359
Spain	13,012	12,633	17,741
Peru	421,479	583,169	125,376
Australia	119,376	186,828	69,541
India	135,135	192,947	184,743
Argentina	7,483	565	417
Ecuador	7,419	8,079	9,313
Switzerland	245	16	379
Japan	5,883	6,719	7,002
Portugal	2,089	5,522	5,526
China	4,922	4,578	4,159
Cuba	575	2,278	2,590
Netherlands	856	1,285	1,612
Austria-Hungary	415	468	756
Egypt	133	262	360
Turkey	283	579	470
Canada	7,419	—	—
Brazil	1,175	3,044	4,050
Total	2,029,878	2,423,792	2,098,132

Note.—The total value in 1905 was £1,810,704 ; in 1906, £1,885,846 ; in 1907, £2,070,436 ; in 1908, £2,268,619 ; in 1909, £1,405,017 ; in 1910, £1,822,406.

VALUE OF IMPORTS INTO IQUIQUE DURING THE YEARS 1911–13 BY COUNTRIES OF ORIGIN, EXCLUDING THE VALUE OF RAW MATERIALS —COAL, LUMBER, AND CRUDE PETROLEUM.

	1911.	1912.	1913.
From—	£	£	£
United Kingdom	406,669	422,241	502,377
Germany	213,558	236,271	354,390
United States	135,429	196,709	155,866
Belgium	54,982	90,843	84,549
Italy	44,585	57,866	51,873
France	50,095	56,975	67,246
Spain	13,012	12,633	17,741
Peru	27,107	81,269	79,949
India	135,135	192,947	184,743
Argentina	7,483	565	417
Ecuador	7,419	8,079	9,313
Switzerland	245	16	379
Japan	5,883	6,719	7,002
Portugal	2,089	5,522	5,526
China	4,922	4,578	4,159
Cuba	575	2,278	2,590
Netherlands	856	63	1,612
Austria-Hungary	415	468	756
Egypt	133	262	360
Turkey	283	579	470
Brazil	1,175	3,044	4,050
Total	1,112,050	1,379,927	1,535,368
Coal	480,340	501,836	387,399
Lumber	43,116	40,129	34,988
Petroleum (crude)	394,372	501,900	140,377
Grand total	2,029,878	2,423,792	2,098,132

SUMMARY OF PRINCIPAL MANUFACTURES IMPORTED INTO IQUIQUE DURING THE YEARS 1912–13 AND COUNTRIES FROM WHICH IMPORTED.

Articles.	United Kingdom.		Germany.		United States.		Belgium.		France.		Italy.	
	1912.	1913.	1912.	1913.	1912.	1913.	1912.	1913.	1912.	1913.	1912.	1913.
	£	£	£	£	£	£	£	£	£	£	£	£
Beverages (liquors and mineral waters) ..	27,628	22,048	8,612	5,583	501	284	863	760	14,439	18,734	4,440	3,910
Chemicals	5,991	9,162	8,615	6,865	4,257	4,896	290	154	6,664	5,890	10,501	1,766
Cotton goods ..	42,493	48,734	29,745	32,478	6,125	8,981	951	1,843	17,567	12,594	8,282	12,003
Woollen goods ..	13,442	19,012	10,325	13,813	98	508	199	641	4,473	4,616	6,045	4,614
Glass, earthenware, and cement ..	10,200	9,856	14,935	14,866	4,312	2,045	9,981	5,999	661	1,506	2,016	2,597
Groceries	40,408	63,102	12,280	16,642	39,507	32,088	3,807	2,656	1,908	4,149	15,224	13,467
Hardware (including unworked iron) ..	99,580	137,667	54,633	107,075	53,245	29,675	43,730	48,286	1,229	2,782	269	490
Machinery	129,939	110,160	45,858	85,918	38,805	30,873	23,994	15,178	1,374	4,200	2,266	2,672
Leather goods ..	6,233	8,417	4,290	7,659	5,523	3,499	258	224	4,329	5,160	230	986
Oils and paints (excluding crude petroleum)	7,311	10,080	4,851	8,385	31,147	21,852	337	248	117	170	937	203
Explosives	23,084	28,973	11,499	15,178	3,005	3,625	4,092	5,913	—	—	355	486
Tobacco	878	749	445	591	51	55	159	223	507	456	—	426
Paper goods (including books)	4,494	4,955	13,638	15,030	2,435	5,403	1,189	1,341	480	1,010	1,389	1,529
Jute and hemp fabrics	6,233	10,286	2,281	3,856	2,118	3,578	547	791	1,370	1,615	1,370	4,321
Miscellaneous ..	5,134	19,176	14,233	20,451	5,490	8,504	446	292	1,753	4,364	1,553	2,403

RETURN OF PRINCIPAL ARTICLES OF IMPORT AT COQUIMBO DURING THE YEARS 1912–14.

Articles.	1912.	1913.	1914.
	£	£	£
Animal products	17,500	24,610	11,880
Vegetable products	70,970	81,220	72,460
Mineral products	56,280	84,160	89,050
Textile manufactures	36,540	42,710	19,290
Oils, paints, combustibles ..	15,510	16,680	16,930
Coal and coke	86,510	92,860	64,580
Paper and its manufactures ..	9,790	11,300	5,690
Liquors and mineral waters ..	13,300	14,480	9,760
Chemicals, drugs, perfumes ..	2,190	33,730	2,710
Machinery and tools	94,860	44,530	70,390
Arms and explosives	3,310	4,950	2,480
Other articles	27,870	26,740	30,740
Total	434,630	477,970	395,960

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF COQUIMBO DURING THE YEAR 1914.

Steam Vessels—Entered (with Cargo).

Nationality.	Vessels.	Net Tonnage.
British[1]	67	240,936
Chilean	34	62,955
German	42	151,252
French	6	19,299
United States	4	13,092
Norwegian	1	2,773
Total	154	490,307

Steam Vessels—Cleared (with Cargo).

British[1]	19	90,817
Chilean	4	6,106
German	19	77,047
United States	1	3,622
Total	43	177,592

[1] In this table are classified as "British" only such British vessels as entered from or cleared to the United Kingdom and dependencies.

AERIAL RAILWAY AT IRON ORE MINES OF COQUIMBO.

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The following is the amount of shipping entered at Antofagasta during 1913, 1914:

Nationality.	1913.		1914.	
	Vessels.	Tonnage.	Vessels.	Tonnage.
British	361	1,110,035	295	942,330
German	232	818,552	126	465,108
Chilean	496	525,093	473	511,562
French	26	70,264	14	32,874
Norwegian	29	66,625	13	38,260
Peruvian	27	63,246	—	—
United States	16	20,185	5	8,823
Japanese	4	18,218	4	21,384
Russian	4	8,913	—	—
Swedish	1	2,470	2	4,482
Belgian	1	2,074	—	—
Italian	1	1,939	1	2,299
Danish	—	—	1	2,596
Total	1,198	2,707,614	934	2,029,718

SHIPPING ENTERED AT ALL CHILEAN PORTS DURING THE YEAR 1912.

Nationality.	Steam.		Sailing.	
	Vessels.	Tonnage.	Vessels.	Tonnage.
Chilean	7,206	6,002,148	470	296,352
British	4,344	12,409,125	98	175,525
German	1,917	6,310,814	157	342,514
French	139	423,467	108	232,549
Italian	47	115,679	26	44,945
Norwegian	370	701,871	101	158,657
Spanish	3	7,497	—	—
Swedish	—	—	1	1,115
Austro-Hungarian ..	1	2,953	—	—
Dutch	7	17,699	—	—
Danish	—	—	2	2,699
Russian	—	—	10	17,194
Belgian	8	1,918	1	1,033
United States	14	36,776	40	26,003
Mexican	1	1,734	—	—
Argentine	5	6,960	4	392
Peruvian	1	2,495	—	—
Japanese	47	186,067	—	—
Total	14,110	26,227,203	1,018	1,298,978

CLEARED AT ALL CHILEAN PORTS DURING THE YEAR 1912.

Nationality.	Steam.		Sailing.	
	Vessels.	Tonnage.	Vessels.	Tonnage.
Chilean	7,129	6,095,258	461	456,737
British	4,329	12,322,575	91	161,882
German	1,908	6,259,684	151	331,388
French	125	412,865	95	209,000
Italian	50	120,203	20	34,499
Norwegian	364	690,611	85	135,604
Dutch	8	17,815	—	—
Danish	—	—	2	2,699
Russian	—	—	12	20,585
Belgian	6	1,375	1	1,033
United States	14	36,616	38	25,735
Mexican	1	1,734	—	—
Argentine	3	6,597	4	392
Peruvian	2	2,513	5	2,809
Japanese	58	238,665	—	—
Spanish	3	7,497	—	—
Total	14,000	26,214,008	965	1,382,363

SHIPPING AT VALPARAISO.

Steam Vessels—Entered.

Nationality.	Foreign Trade.			Coasting Trade.		
	Vessels.	Tonnage.	Crew.	Vessels.	Tonnage.	Crew.
Chilean	53	94,051	4,571	447	385,002	15,735
British	287	872,894	22,685	86	202,016	7,016
German	181	607,480	11,939	15	43,313	894
French	14	47,479	905	2	7,652	91
Italian	3	7,204	151	1	3,054	76
Norwegian.. ..	20	51,835	665	15	16,315	759
Dutch	1	2,370	29	—	—	—
United States ..	1	981	56	—	—	—
Japanese	7	28,136	678	—	—	—
Total	567	1,712,430	41,679	566	657,352	24,571

SHIPPING AT VALPARAISO—*Continued.*

Sailing Vessels—Entered.

Nationality.	Foreign Trade.			Coasting Trade.		
	Vessels.	Tonnage.	Crew.	Vessels.	Tonnage.	Crew.
Chilean	10	14,518	267	36	5,378	285
British	6	7,592	158	—	—	—
German	29	68,210	853	1	1,714	24
French	6	13,015	134	—	—	—
Italian	4	7,238	94	—	—	—
Norwegian ..	16	26,776	319	1	1,738	21
Russian	1	2,290	23	—	—	—
United States ..	14	9,601	181	—	—	—
Total	86	149,240	2,029	38	8,830	330

Steam Vessels—Cleared.

Chilean	57	101,988	4,836	436	375,261	16,719
British	245	779,539	22,365	129	321,048	8,653
German	176	595,178	11,730	19	53,501	1,259
French	12	40,750	693	3	11,478	138
Italian	2	5,614	164	2	4,744	156
Norwegian ..	3	35,991	470	22	34,851	1,029
Dutch	—	—	—	1	2,370	29
United States ..	1	981	56	—	—	—
Japanese	6	24,894	597	7	28,126	670
Peruvian	1	18	9	—	—	—
Total	513	1,584,953	40,920	619	831,379	28,653

Sailing Vessels—Cleared.

Chilean	2	2,399	64	45	10,461	450
British	—	—	—	5	8,608	132
German	2	3,962	103	27	66,286	735
French	1	1,995	21	4	9,294	149
Italian	—	—	—	2	3,659	50
Norwegian ..	1	1,738	20	—	—	—
Russian	1	2,290	25	—	—	—
United States ..	10	6,872	142	2	1,784	27
Total	17	19,256	375	85	100,092	1,543

The following are the Chilean ports which have customs houses, from north to south :

Arica, Pisagua, Iquique, Tocopilla, Antofagasta, Taltal, Caldera, Carrizal Bajo, Valparaiso, Talcahuano, Coronel, Valdivia, Puerto Montt, Ancud, and Punta Arenas. There are besides a good many small ports dependent on the customs houses of the above-mentioned ports.

Of these ports, the four most important for their commerce and general traffic are :

	Average 1908–11 in 18d. pesos.
1. Valparaiso	$297,316,080
2. Antofagasta	176,407,569
3. Iquique	157,542,494
4. Talcahuano	101,340,501

As regards exports, we have—

1. Antofagasta	$83,465,711
2. Iquique	64,733,037
3. Pisagua	47,732,550
4. Taltal	30,115,019
5. Tocopilla	28,826,794
6. Valparaiso	12,884,701

To the Antofagasta exports should be added the amount of the Bolivian exports which are exported through Antofagasta, and which in 1911 amounted to $35,275,000.

As regards imports, we have—

1. Valparaiso	$137,184,900
2. Talcahuano	33,298,740
3. Iquique	25,830,483
4. Antofagasta	21,314,875

As regards the coasting trade, the scale is—

1. Valparaiso	$146,163,355
2. Antofagasta	69,101,389
3. Iquique	66,587,655
4. Talcahuano	55,588,896
5. Coquimbo	36,537,302
6. Valdivia	34,929,387
7. Coronel	15,128,456

The coasting-trade in Chile is open to all nations.

COMMERCIAL MOVEMENT OF THE PRINCIPAL PORTS, EXPRESSING THE COEFFICIENT OF CARGO, OR THE WEIGHT OF MERCHANDISE MOVED FOR EACH TON NET REGISTER.

	Metrical Tons.	Coefficient of Cargo.
1. Antofagasta	1,625,566	0·27
2. Valparaiso	1,424,710	0·29
3. Iquique	1,050,423	0·25
4. Pisagua	668,556	0·20
5. Coronel	524,386	0·12
6. Taltal	467,650	0·18
7. Talcahuano	443,545	0·10

The maritime traffic in 1912 in all the ports of the Republic was:

FOREIGN TRADE.

	Ships.	Tons.
Arrivals.		
Steamers	5,093	15,070,782
Sailing vessels	579	1,061,740
Total	5,672	16,132,527
Sailings.		
Steamers	4,548	13,387,035
Sailing vessels	498	926,480
Total	5,046	14,313,515

Peru, as will be evident from the statistics given later, is one of those countries in which British enterprise has maintained its level in a more satisfactory fashion than has been the case in some others of the South American Republics. The situation here, indeed, would seem to compare favourably with that which has prevailed in the neighbouring Republics to the east and to the north of Peru.

The principal British enterprise in Peru is represented by the Peruvian Corporation, a very important company that is concerned not only in the general commerce of the country, but in the port works, railways, and the similar monumental undertakings of Peru.

Before the outbreak of the war Great Britain's chief commercial competitor in Peru was the United States, Germany coming in as a fairly close third.

Peru is one of those South American countries which is beginning to supply direct markets to various of the British possessions. Indeed, the Dominions have far more to do with the Peruvian imports than is generally realized. Thus, beginning with the East, we find that India now sends a quantity of jute bags, that for some years previous to the outbreak of the war averaged some thirty thousand pounds in value.

The imports from Hong-Kong are of more general nature, and they are of sufficient importance to warrant a regular line of steamers, under the Japanese flag, sailing between that port and Callao. This commerce with Hong-Kong is, as regards the Peruvian side largely in the hands of the Chinese merchants who have established themselves in Peru. In 1910 the total extent of this trade exceeded £130,000 in value.

The imports from Australia overtopped this in the same year. These exceeded £180,000, and were composed for the most part of coal, wheat, tallow, and butter.

Even this does not conclude the trade of the Dominions with the Southern Pacific coast of America ; for Canada has now become accustomed to ship her lumber to the Peruvian ports, and the commerce in this has been increasing rapidly, although it cannot yet be said to have attained to any important dimensions.

The following figures will show the increase of the general trade of Peru :

Year.	Imports.	Exports.
1901	£2,862,407	£4,730,776
1902	3,428,283	3,703,971
1903	3,783,200	3,857,753
1904	4,900,444	6,866,366
1905	4,917,724	4,780,414
1906	5,632,349	6,600,325
1907	5,514,787	5,747,732
1908	5,295,625	5,478,941
1909	4,298,627	6,492,670
1910	4,965,792	7,074,076
1911	5,438,250	7,416,028

PRINCIPAL IMPORTS, 1910.

Cotton textiles	£588,031
Wool and animal hair	213,387
Linen, hemp, jute, and other textile fibres	93,740
Silk, animal and vegetable	61,744
Hides, skins, and leather goods	34,781
Wearing apparel, etc.	167,375
Furniture	31,924
Metals and manufactures thereof	449,199
Stones, earth, coal, glass, and chinaware	122,091
Woods, lumber, and manufactures	89,852
Paints, dyes, varnishes, bitumen, gums	79,762
Live-stock	9,310
Stationery, paper, cardboard	66,468
Tools, ship's stores, machines, and vehicles	183,764
Musical instruments	7,420
Arms, ammunition, and explosives	38,154
Dry goods and miscellaneous articles	1,739,630
Beverages	115,527
Comestibles and condiments	734,464
Medicines and pharmaceutical products	113,298
Articles not enumerated in the tariff	25,871
	£4,965,792

TABLE SHOWING THE VALUE OF THE IMPORT TRADE OF PERU DURING THE YEARS 1910–12.

Country.	1910.	1911.	1912.
	£	£	£
United Kingdom	1,678,701	1,720,133	1,198,632
India	29,828	38,980	—
Australia	182,152	229,306	239,558
Canada	3,400	—	—
Belgium	250,295	333,982	245,278
Chile	152,188	76,996	195,706
China	4,159	283	—
Hong-Kong	131,686	154,321	153,675
France	485,903	289,543	269,331
Germany	790,710	945,907	820,887
Italy	167,790	199,450	253,797
Spain	52,308	79,597	—
United States	922,677	1,248,952	1,105,749
Other countries	113,695	120,800	219,943

TABLE SHOWING IMPORTS BY ARTICLES AND COUNTRIES DURING THE YEAR 1910.

Cotton Textiles.

Country.	£
United Kingdom	363,735
Germany	90,142
Italy	46,065
United States	30,659
Belgium	27,170
Spain	12,496
France	12,253
Japan	2,463
Other countries	3,048
Total	588,031

Wool and Animal Hair.

United Kingdom	109,513
Germany	57,036
Belgium	19,054
Italy	12,644
France	8,662
Hong-Kong	3,025
United States	514
Other countries	2,939
Total	213,387

Linen, Hemp, Jute, and other Textile Fibres.

United Kingdom	51,257
British India	18,282
Germany	6,410
Australia	4,035
Chile	3,354
France	3,306
Belgium	2,840
Italy	2,330
United States	1,055
Other countries	871
Total	93,740

Silk, Animal and Vegetable.

Germany	24,894
United Kingdom	13,076
France	11,943
Italy	4,837

Silk, Animal and Vegetable—continued.

Country.	£
Chile	2,236
Belgium	1,526
Other countries	3,232
Total	61,744

Hides, Skins, and Leather Goods.

United Kingdom	12,117
Germany	8,369
United States	7,702
France	2,899
Other countries	3,694
Total	34,781

Wearing Apparel, etc.

United Kingdom	53,212
France	25,577
Germany	24,411
Italy	22,346
United States	11,935
British India	11,478
Spain	9,218
Other countries	9,198
Total	167,375

Furniture.

Germany	11,009
United Kingdom	9,043
United States	8,266
France	2,223
Other countries	1,383
Total	31,924

Metals and Manufactures thereof.

United Kingdom	261,124
United States	102,441
Germany	42,242
Belgium	33,944
France	7,565
Other countries	1,883
Total	449,199

Stones, Earths, Coal, Glass, and Chinaware.

Country.	£
United Kingdom	55,913
Germany	29,353
Belgium	13,964
United States	10,670
Australia	5,531
France	3,119
Other countries	3,541
Total	122,092

Woods, Lumber, and Manufactures.

United States	66,316
Chile	3,580
United Kingdom	3,562
Canada	3,400
Ecuador	3,300
Germany	3,120
Other countries	6,574
Total	89,852

Paints, Dyes, Varnishes, Bitumen, Gums.

United States	43,810
Germany	13,892
United Kingdom	12,823
Belgium	3,377
Salvador	3,285
Other countries	2,575
Total	79,762

Live Animals.

Argentina	6,117
Chile	2,073
Other countries	1,120
Total	9,310

Stationery, Paper, and Cardboard.

Germany	31,763
United States	9,623
United Kingdom	7,332
Belgium	5,841
Spain	4,457

Stationery, Paper, and Cardboard—continued.

Country.	£
France	3,433
Italy	3,014
Other countries	1,005
Total	66,468

Tools, Ships' Stores, Machines, and Vehicles.

United States	89,748
United Kingdom	55,304
Germany	15,955
France	11,918
Belgium	7,333
Other countries	3,506
Total	183,764

Musical Instruments.

Germany	4,107
United States	1,631
Other countries	1,682
Total	7,420

Arms, Ammunition, and Explosives.

United Kingdom	13,814
United States	8,082
Hong-Kong	5,550
Chile	4,704
Germany	3,562
Other countries	2,442
Total	38,154

Dry Goods and Miscellaneous Articles.

United Kingdom	530,860
United States	370,279
France	307,310
Germany	306,288
Belgium	115,382
Chile	29,451
Italy	12,856
Ecuador	11,332
Hong-Kong	8,703
Spain	7,675

Dry Goods and Miscellaneous Articles—continued.

Country.	£
Cuba	7,269
Portugal	7,097
Australia	5,507
Other countries	19,621
Total	1,739,630

Beverages.

France	33,025
Germany	18,093
United Kingdom	16,927
Portugal	14,271
Italy	9,339
China	6,711
Spain	6,559
Belgium	5,160
United States	3,369
Other countries	2,073
Total	115,527

Comestibles and Condiments.

Australia	164,727
United States	112,495
Hong-Kong	104,264
Chile	102,283
United Kingdom	76,144
Germany	70,938
Italy	37,548
Portugal	11,539
Belgium	27,822
Argentina	3,560
Other countries	23,144
Total	734,464

Medicines and Pharmaceutical Products.

United Kingdom	29,707
Germany	26,990
United States	24,405
France	15,639
Italy	10,213
Other countries	6,344
Total	113,298

RETURN OF BRITISH SHIPPING WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF CALLAO DURING THE YEAR 1913.

Steam Vessels—Entered.

	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
From—						
United Kingdom ..	73	245,607	1	2,065	74	247,672
Canada	—	—	1	3,309	1	3,309
Chile	36	88,237	22	40,508	58	128,745
Ecuador	22	60,103	3	5,979	25	66,082
Netherlands ..	1	2,789	—	—	1	2,789
India	2	7,009	—	—	2	7,009
Panama	26	44,817	—	—	26	44,817
United States ..	27	78,236	—	—	27	78,236
Total	187	526,798	27	51,861	214	578,659

Steam Vessels—Cleared.

To—						
United Kingdom ..	61	218,627	—	—	61	218,627
Chile	32	82,556	16	37,714	48	120,270
Ecuador	23	59,638	3	6,533	26	66,171
Panama	26	53,293	1	457	27	53,750
New Zealand ..	—	—	1	4,005	1	4,005
United States ..	9	25,706	2	7,315	11	33,021
Total	151	439,820	23	56,024	174	495,844

Sailing Vessels—Entered (with Cargo).

	Vessels.	Tonnage.
From—		
United Kingdom	4	6,013
Australia	8	15,044
Germany	1	2,648
Netherlands	1	1,647
Total	14	25,352

Sailin Vgessels—Cleared (in Ballast).

To—		
Canada	1	1,828
Chile..	5	10,015
United States	5	10,113
Total	11	21,956

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF CALLAO DURING THE YEAR 1913.

Steam Vessels—Entered.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British	187	526,798	27	51,861	214	578,659
Chilean	112	198,238	—	—	112	198,238
French	8	21,466	—	—	8	21,466
German	88	314,289	—	—	88	314,289
Japanese	12	56,385	—	—	12	56,385
Mexican	—	—	1	339	1	339
Norwegian ..	3	7,748	1	56	4	7,804
Peruvian	57	127,450	1	84	58	127,534
United States ..	3	10,555	5	4,905	8	15,460
Total	470	1,262,929	35	57,245	505	1,320,174

Steam Vessels—Cleared.

British	151	439,820	23	56,024	174	496,844
Chilean	104	185,905	—	—	104	185,905
French	6	19,741	—	—	6	19,741
German	75	267,248	3	10,785	78	278,033
Japanese	11	50,618	—	—	11	50,618
Norwegian ..	3	7,750	1	56	4	7,806
Peruvian	55	125,556	—	—	55	125,556
United States ..	2	7,300	4	3,924	6	11,224
Total	407	1,103,938	31	70,789	438	1,174,727

Sailing Vessels—Entered.

British	14	25,352	—	—	14	25,352
Chilean	5	3,151	—	—	5	3,151
Danish	1	2,541	—	—	1	2,541
French	1	2,025	—	—	1	2,025
German	16	29,902	1	1,612	17	31,514
Italian	1	2,325	—	—	1	2,325
Norwegian ..	10	17,182	1	1,127	11	18,309
Peruvian	11	12,546	—	—	11	12,546
Russian	5	8,813	—	—	5	8,813
United States ..	36	23,585	1	1,509	37	25,094
Total	100	127,422	3	4,248	103	131,670

Sailing Vessels—Cleared.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British	—	—	11	21,956	11	21,956
Chilean	—	—	2	1,528	2	1,528
French	—	—	1	2,065	1	2,065
German	1	1,696	11	19,556	12	21,252
Norwegian ..	—	—	10	16,156	10	16,156
Peruvian	2	1,122	9	9,709	11	10,831
Russian	—	—	5	8,765	5	8,765
United States ..	—	—	25	17,499	25	17,499
Total	3	2,818	74	97,234	77	100,052

CHAPTER XVIII

BRITISH INTERESTS IN THE VARIOUS REPUBLICS
(continued)

British trade with Paraguay—Some questions of competition—Values of the principal articles imported—Countries concerned in the trade—Tables showing nature of goods required—Total imports—British trade with Uruguay—Principal objects exported—An extract from a Consular Report—Sound advice concerning the methods of commercial procedure in Uruguay—A question of agencies—Uruguayan imports—Shipping of the port of Monte Video—British interests in Venezuela—Competition in other countries—Principal classes of goods involved—The British interests in public works—Local regulations—A field of general industries—Cattle breeding—Circumstances concerning motor cars—Chief imports and exports—Nature of the imports—Ciudad Bolivar—Imports and shipping of the port.

THE commercial situation in Paraguay gives ground for considerable hope in the future. In 1913, it must be confessed, the outlook was not very reassuring; for whereas Great Britain in that year sent some £465,000 worth of its goods to the inland Republic, the German exports to that country exceeded this by over £12,000.

In 1914 the situation had become even more unsatisfactory; for the figures here show that, whereas Great Britain exported some £235,000 worth of goods, the German merchandise introduced exceeded this in value by over £40,000, and this notwithstanding the fact that from the end of August the German trade began to be crippled out of existence, as will be proved by the somewhat curious total of £33,333, which was all the Teutonic importation amounted to in 1915. In this latter year Great Britain sent over £155,000 worth of its goods to Paraguay.

In 1916 the German figures show a complete blank, while those of Great Britain had risen to over £350,000 In this particular case it may be remarked that the United States has not gained so much in the matter of trade as might have been imagined, for whereas in 1913 it had shipped about £104,000 worth, the corresponding figures in 1915 did not attain to the half of this, although in 1916 they had risen to a total of some £150,000. Two of the most important articles exported to Paraguay are textiles and hardware. In both of these products there is no reason whatever why Great Britain should not maintain her position in the front rank.

IMPORTS OF PRINCIPAL ARTICLES, 1911.

Foodstuffs.	£
Argentina	98,819
Germany	55,167
Spain	28,475
Austria-Hungary	21,188
Italy	20,530
United States	16,340
Brazil	10,663
France	8,895
United Kingdom	5,806
Uruguay	3,019
Portugal	1,647
Other countries	9,975

Textiles.	
United Kingdom	199,833
Germany	90,829
Italy	18,293
France	14,286
Spain	8,327
Belgium	4,211
United States	1,455
Other countries	5,299

Hardware.	
Germany	36,737
United Kingdom	28,927
United States	18,597
Belgium	6,514
Spain	5,101
France	4,564

Hardware—continued.	£
Argentina	2,848
Other countries	3,117

Fancy Goods.	
Germany	31,528
France	24,145
United Kingdom	16,551
Italy	4,399
Argentina	1,726
Spain	1,425
United States	1,328
Other countries	2,093

Wines, etc.	
Spain	26,667
Italy	13,266
France	11,887
Germany	3,674
United Kingdom	1,767
Other countries	2,093

Drugs and Chemicals.	
Germany	15,567
France	7,410
United States	4,973
United Kingdom	4,795
Argentina	2,468
Italy	2,203
Other countries	2,908

Hats.	£
Italy	7,237
Uruguay	3,113
United Kingdom	2,676
France	1,825
Germany	1,387
Other countries	717

Fire-arms.	
United States	5,901
Germany	3,489
United Kingdom	2,495
Spain	2,343
Other countries	1,127

Clothing.	
Argentina	10,194
Spain	5,744
Germany	5,345
United Kingdom	2,278
Italy	2,016

Clothing—continued.	£
France	2,104
Other countries	104

China and Glassware.	
Germany	10,620
United Kingdom	1,183
Other countries	2,546

Free of Duty.	
United Kingdom	101,946
Germany	91,216
Argentina	30,677
United States	26,819
Belgium	9,380
France	7,291
Uruguay	1,585
Other countries	2,615
Other articles	27,141
Unclassified	9,626

TOTAL IMPORTS.

Country.	1911.	1912.	1913.
	£	£	£
United Kingdom	370,040	268,341	464,806
Germany	363,533	311,079	448,785
Argentina	154,992	140,622	218,031
France	86,300	75,622	107,419
Italy	70,371	63,546	98,959
United States	77,905	63,189	97,665
Spain	82,725	66,571	86,005
Belgium	22,086	26,588	37,986
Uruguay	10,227	7,328	12,033
Brazil	11,674	8,699	9,224
Austria-Hungary	21,863	25,793	17,549
Other countries	23,983	12,742	25,537
Total	1,295,699	1,070,120	1,623,999
	Per cent.	Per cent.	Per cent.
British share	28	25	28·6

NOTE.—Paper dollars have been converted in these tables at 90 dollars to the £1 and gold dollars at 5 dollars to the £1.

TOTAL IMPORTS OF PRINCIPAL ARTICLES, 1911.

Textiles	£342,533
Foodstuffs	280,524
Hardware	106,405
Fancy goods	81,415
Wines and spirits	59,354
Drugs and chemicals	40,324
Ready-made clothes	27,785
Other articles	27,141
Hats	16,955
Fire-arms	15,355
Glass and chinaware	14,349
Unclassified	9,626
Free of duty	273,933
Total	1,295,699

TOTAL IMPORTS OF PRINCIPAL ARTICLES.

Articles.	1911.	1912.	1913.
	£	£	£
Foodstuffs	280,524	242,814	329,431
Textiles	342,533	303,081	452,583
Hardware	106,405	188,612	311,022
Wines, spirits, etc.	59,354	58,371	77,788
Fancy goods	81,415	78,864	115,042
Drugs and chemicals	40,324	44,585	61,741
Hats	16,955	15,024	25,571
Fire-arms	15,355	16,369	13,553
Clothing	27,785	19,856	36,344
China and glassware	14,349	17,905	21,076
Boots and shoes	—[1]	—[1]	13,928
Cattle	—[1]	—[1]	26,885
Free of duty	273,933	—	—[2]
Other articles	27,141	59,872	59,622
Unclassified	9,626	24,767	79,413
Total	1,295,699	1,070,120	1,623,999

[1] Included under "Other articles."

[2] The principal articles imported free of duty in 1913 are stated to have been as follows:—

Hardware	£159,672	Glass and china	£6,539
Fancy goods	12,753	Cattle	26,885
Drugs	14,529	Saddlery	7,052
Clothing	11,739	Electrical goods	12,381

IMPORTS OF PRINCIPAL ARTICLES.

Articles and Countries from which Imported.	1911.	1912.	1913.	Remarks.
	£	£	£	
Foodstuffs ..	..	..	..	Flour, grains, potatoes, sugar, petroleum, preserved fruits, vegetables and fish, butter, cheese, hams, tea, coffee, cocoa, macaroni, biscuits, sweets, candles, soap (toilet), oil, olives, condiments, etc.
United Kingdom	5,806	7,200	10,323	
Germany ..	55,167	42,667	72,954	
Argentina ..	98,819	92,974	127,429	
France	8,895	8,419	11,073	
Italy	20,530	13,456	20,997	
United States ..	16,340	16,952	18,871	
Spain	28,475	21,915	23,745	
Belgium ..	—[1]	1,457	3,325	
Uruguay ..	3,019	2,386	4,750	
Brazil	10,663	8,000	8,207	
Austria-Hungary	21,188	22,071	15,905	
Portugal ..	1,647	—[1]	1,979	
Netherlands ..	—[1]	1,044	2,597	
Other countries	9,975	4,273	7,276	
Textiles	..	..	..	Prints, greys, whites, blankets, woollen and cotton cashmeres, cloths, sheetings, flannels, silks, fancy dress stuffs, linen goods, etc.
United Kingdom	199,833	173,195	268,920	
Germany ..	90,829	82,158	99,165	
Argentina ..	—[1]	2,086	2,578	
France	14,286	13,355	23,967	
Italy	18,293	17,227	32,077	
Spain	8,327	7,511	15,793	
United States ..	1,455	—[1]	1,665	
Belgium ..	4,211	5,041	5,192	
Other countries	5,299	2,508	3,226	
Hardware ..	..	..	..	Tools, wire, ships' fittings, corrugated tin, household and kitchen utensils, etc.
United Kingdom	28,927	55,728	129,011	
Germany ..	36,737	76,329	99,473	
Argentina ..	2,848	6,847	9,974	
France	4,564	5,272	4,704	
Italy	—[1]	2,157	1,417	
United States ..	18,597	21,444	43,122	
Belgium ..	6,514	16,910	20,022	
Spain	5,101	—[1]	1,107	
Other countries	3,117	3,925	2,192	
Wines, etc.—				
United Kingdom	1,767	2,318	3,159	
Germany ..	3,674	2,379	3,103	
France	11,887	12,567	14,272	
Italy	13,266	12,685	15,588	
Spain	26,667	25,631	37,054	
Portugal ..	—[1]	1,339	1,887	
Other countries	2,093	1,452	2,725	

[1] Included under "Other countries."

IMPORTS OF PRINCIPAL ARTICLES—*continued.*

Articles and Countries from which Imported.	1911.	1912.	1913.	Remarks.
	£	£	£	
Fancy goods ..	..	..	..	Haberdashery, stationery, perfumery, dolls, ornaments, plated goods, buttons, artificial flowers, etc.
United Kingdom	16,551	12,616	22,824	
Germany ..	31,528	35,605	52,772	
France	24,145	17,432	21,317	
Italy	4,399	3,376	5,621	
Spain	1,425	3,867	2,626	
Argentina ..	1,726	4,117	5,372	
United States ..	1,328	—[1]	1,079	
Other countries	313	1,851	3,431	
Drugs and chemicals	..	..	..	Medicines, chemicals, oils and colours, surgical instruments, etc.
United Kingdom	4,795	9,161	10,725	
Germany ..	15,567	10,142	14,811	
Argentina ..	2,468	2,941	3,605	
France	7,410	6,856	12,726	
Italy	2,203	1,176	2,038	
United States ..	4,973	8,753	14,543	
Other countries	2,908	5,556	3,293	
Hats	..	..	..	European styles of hard and soft felts, straws, Panamas, tropical hats and helmets
United Kingdom	2,676	1,676	1,110	
Germany ..	1,387	1,705	2,472	
France	1,825	—[1]	2,318	
Italy	7,237	7,589	17,432	
Uruguay ..	3,113	1,818	1,797	
Other countries	717	2,236	442	
Fire-arms	..	..	..	Revolvers, shot guns, accessories and ammunition
United Kingdom	2,495	115	2,751	
Germany ..	3,489	4,574	4,186	
France	..[1]	2,165	..[1]	
United States ..	5,901	6,276	3,992	
Spain	2,343	1,463	975	
Belgium ..	—[1]	1,672	1,206	
Other countries	1,127	104	443	
Clothing	..	..	..	Chiefly underwear (the import duty on ready-made clothes is high)
United Kingdom	2,278	2,760	4,036	
Germany ..	5,345	7,559	10,446	
Argentina ..	10,194	4,208	12,988	
France	2,104	2,526	5,318	
Italy	2,016	1,008	1,375	
Spain	5,744	1,661	1,291	
Other countries	104	134	890	

[1] Included under "Other countries."

IMPORTS OF PRINCIPAL ARTICLES—*continued.*

Articles and Countries from which Imported.	1911.	1912.	1913.	Remarks.
China and glassware—	£	£	£	
United Kingdom	1,183	1,441	1,327	
Germany ..	10,620	13,431	15,820	
France	—[1]	1,538	992	
Argentina ..	—[1]	—[1]	1,582	
Other countries	2,546	1,495	1,355	
Boots and shoes—				
United Kingdom	—[2]	—[2]	1,303	
Germany ..	—[2]	—[2]	2,211	
Argentina ..	—[2]	—[2]	3,475	
United States ..	—[2]	—[2]	4,117	
Other countries	—[2]	—[2]	2,822	
Cattle—				
Argentina ..	—[2]	—[2]	26,757	
Uruguay ..	—[2]	—[2]	128	
Free of duty ..	273,933	—[3]	—[3]	Railway materials, agricultural machinery and implements, machinery for industrial purposes and ships, telegraph wire, wire fencing (barbed and plain), windmills, stock cattle, naphtha, calcium carbide
Other articles ..	27,141	59,872	59,622	Tobacco, leather, saddlery, furniture, jewellery, electrical fittings, musical instruments, etc.
Unclassified ..	9,626	24,767	79,413	Entered free by order of the Government
Total	1,295,699	1,070,120	1,623,999	

[1] Included under "Other countries."
[2] Included under "Other articles."
[3] Included under the several classes of articles to which they belong respectively.

The proportion of British trade with Uruguay has continued fairly satisfactory in most respects, and the commercial relations between the two countries have remained close.

The principal British exports to Uruguay consist of cotton and woollen goods, coal, machinery, hardware, and other articles. Of the three principal competitors, Great Britain has, on the whole, maintained the lead, with Germany second and the United States third. The principal exports of Germany, it may be said, were sugar, textiles, machinery, fancy goods, and other articles, while those of the United States were lumber, mineral oils, agricultural machinery, and paper.

Some most useful remarks are contained in the 1912 Consular Report on Uruguay, remarks which hold good to-day, and I will quote them here :

" The principal impediment in the way of British firms not already established in the Uruguayan market is the difficulty of finding British agents in Montevideo.

" The British firms in Montevideo are in most cases so occupied with their existing business that they have little desire to embark on new agencies, especially if the goods or terms offered are novel to the market. This applies also to Uruguayan firms, with whom there is the further difficulty of dealing in Spanish. Accordingly, letters from British firms to traders in Uruguay offering agencies frequently find their way to the waste-paper basket, or meet with an evasive reply, for it is now axiomatic in Montevideo that if a foreign firm has business worth offering, it will send a competent agent to Montevideo to choose an agent. The fact is well known to British exporters to South America, whose commercial travellers now include Montevideo in their South American itinerary. Some, however, have concentrated on the larger market of the neighbouring metropolis of Buenos Aires without seriously considering the possibilities of Uruguay.

" Where British agents are unobtainable in Montevideo, it is better policy to appoint Uruguayans, in preference to any of the nationalities of our competitors.

"It would seem hardly necessary to repeat the perennial warning that the metric system is enforced by law in Uruguay, where tradesmen are fined for using any other system, and that correspondence with Uruguayan firms should be conducted in Spanish, were it not that catalogues and circulars are still sent to Montevideo printed in English, with quotations in British weights and measures."

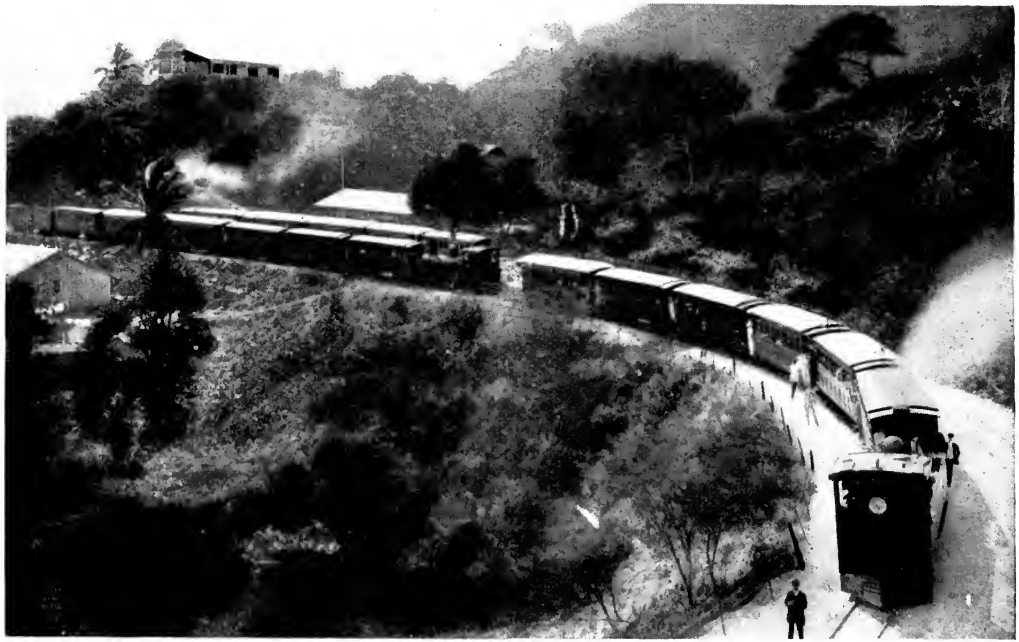
I have quoted the above in full, since all the hints contained therein are undoubtedly of extreme value.

Goods exported to Uruguay, it should be said, are in almost every case subject to the imposition of very high duties, part of the general policy of Uruguay being to rely on the customs house for the payment of many of the national expenses.

IMPORTS OF URUGUAY DURING THE YEARS 1907–10.

Country.	1907.	1908.	1909.	1910.
	Dollars.	Dollars.	Dollars.	Dollars.
United Kingdom	11,572,152	11,726,956	10,622,024	11,882,104
Germany	6,079,598	6,226,957	5,799,038	6,841,072
United States ..	3,439,445	3,323,111	3,702,577	4,343,935
France	3,924,069	3,641,360	3,940,684	3,842,027
Italy	2,898,391	3,067,937	2,900,180	2,943,017
Belgium	2,688,520	2,202,162	2,528,096	2,810,827
Argentina ..	2,563,187	2,469,908	2,723,158	2,772,352
Spain	1,725,198	1,944,316	1,917,810	2,129,103
Brazil	1,743,731	1,834,893	1,967,593	1,994,431
Austria-Hungary.	22,178	28,328	186,405	348,190
British colonies ..	—[1]	—[1]	45,448	246,508
Netherlands ..	233,968	130,596	158,355	218,699
Other countries..	580,278	859,637	452,648	442,346
Total	37,470,715	37,456,161	36,944,016	40,814,611

[1] Not specified.



SCENE ON THE LA GUAIRA AND CARACAS RAILWAY, VENEZUELA.

To face p. 280.

IMPORTS OF PRINCIPAL ARTICLES INTO URUGUAY DURING THE YEARS 1907–10.

Articles.	1907.		1908.		1909.		1910.	
	Dollars	Tons.	Dollars.	Tons.	Dollars.	Tons.	Dollars.	Tons.
Cotton goods	4,552,588	—	4,337,857	—	4,576,145	—	4,599,567	—
Iron and steel goods	902,084	—	904,279	—	2,782,665	—	2,976,060	—
Sugar—								
Refined..	595,321	5,953	508,758	5,088	684,696	6,847	715,730	7,158
Raw	1,376,031	15,289	1,872,609	20,807	1,656,696	18,408	1,591,150	17,679
Oils—								
Edible	641,366	2,988	744,601	3,234	689,084	3,227	870,478	3,822
Non-edible	841,450	—	989,246	—	1,087,965	—	1,349,157	—
Coal (excluding amount for ships coaling at Montevideo) ..	1,879,796	187,979	2,543,596	254,360	2,105,941	210,595	2,201,936	220,193
Wood and woodwork	2,210,345	—	2,138,127	—	1,851,579	—	1,921,058	—
Woollen goods	1,876,596	—	1,722,581	—	1,598,058	—	1,833,660	—
Wines	1,709,525	—	1,793,430	—	1,677,139	—	1,679,774	—
Machinery	779,113	—	1,884,896	—	1,269,329	—	1,525,125	—
Chemicals	877,490	—	802,692	—	1,353,607	—	1,366,671	—
Yerba maté	1,063,102	10,631	1,131,906	11,319	1,180,761	11,808	1,238,171	12,381
Potatoes	479,439	—	834,178	—	681,177	—	822,366	—

PRINCIPAL ARTICLES OF IMPORTATION INTO URUGUAY DURING THE YEARS 1907–8.

Cotton Goods.

	1907. Dollars.	1908. Dollars.
Total	4,552,588	4,337,857
United Kingdom ..	2,328,430	2,104,417
Italy	775,973	710,473
Germany	583,626	634,331
France	322,824	301,887

PRINCIPAL CLASSES OF COTTON GOODS.

Articles.	Country.	1907.		1908.	
			Dollars.		Dollars.
A.—Textiles ..	Total .. Tons	2,908	2,220,311	2,658	2,023,478
	,, .. Mts.	4,391,132	482,721	4,286,975	471,809
	United Kingdom .. Tons	1,901	1,427,517	1,719	1,274,514
	Mts.	2,690,366	293,791	2,860,109	309,198
	Italy .. Tons	453	349,731	398	316,246
	Mts.	811,455	85,270	582,972	64,596
	Germany Tons	161	135,218	169	140,832
	Mts.	255,356	41,130	262,157	38,257
B.—Flannel ..	Total .. Tons	351	316,288	363	326,338
	United Kingdom .. Tons	137	122,880	129	116,299
	Italy .. ,,	90	80,824	94	84,620
C.—Stockings .	Total .. Doz.	257,601	225,445	302,580	280,468
	Germany ,,	149,869	125,110	186,837	172,594
	France.. ,,	27,003	26,164	26,018	25,604
	United Kingdom .. Doz.	16,087	16,068	13,792	14,382
D.—Laces and embroidery	Total .. Mts.	6,722,434	140,525	5,743,505	112,519
	United Kingdom .. Mts.	4,747,588	98,725	3,918,778	79,310
	Germany ,,	838,959	23,099	949,608	16,752
E.—Sewing thread in reels	Total .. Doz.	914,437	163,328	686,251	95,629
	United Kingdom .. Doz.	786,164	131,837	582,323	76,836
	France.. ,,	111,078	26,923	77,467	15,089

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF MONTEVIDEO DURING THE YEAR 1911.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
Steam Vessels—Entered.						
British	1,245	3,754,464	27	35,994	1,272	3,790,458
German	468	1,627,925	2	2,384	470	1,630,309
Italian	286	960,549	—	—	286	960,549
French	192	622,044	—	—	192	622,044
Netherlands ..	86	276,692	—	—	86	276,692
Spanish	64	200,443	—	—	64	200,443
Austro-Hungarian ..	51	162,165	—	—	51	162,165
Norwegian	37	87,433	7	376	44	87,809
Argentine	79	64,267	—	—	79	64,267
Brazilian	74	50,072	—	—	74	50,072
Uruguayan	24	38,768	—	—	24	38,768
Other nationalities .	57	136,165	18	9,045	75	145,210
Total	2,663	7,980,987	54	47,799	2,717	8,028,786
Steam Vessels—Cleared.						
British	1,146	3,480,882	109	239,800	1,255	3,720,682
German	468	1,622,552	2	2,384	470	1,624,936
Italian	284	957,359	2	5,014	286	962,373
French	191	616,563	—	—	191	616,563
Netherlands ..	85	274,568	1	1,631	86	276,199
Spanish	62	194,824	1	3,100	63	197,924
Austro-Hungarian ..	50	156,868	1	2,952	51	159,820
Norwegian ..	35	81,905	12	8,598	47	90,503
Argentine	76	61,000	—	—	76	61,000
Brazilian	74	52,399	—	—	74	52,399
Uruguayan	25	39,058	—	—	25	39,058
Other nationalities .	68	144,353	7	1,115	75	145,468
Total	2,564	7,682,331	135	264,594	2,699	7,946,925
Sailing Vessels—Entered.						
British	32	35,355	4	2,133	36	37,488
Italian	63	69,125	—	—	63	69,125
Norwegian	60	63,152	2	2,163	62	65,135
French	4	6,433	1	698	5	7,131
German	3	1,997	—	—	3	1,997
Other nationalities	18	14,533	—	—	18	14,533
Total	180	190,595	7	4,994	187	195,589

Sailing Vessels—Cleared.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British	9	6,698	24	25,588	33	32,286
Italian	47	47,041	13	18,204	60	65,245
Norwegian	37	29,099	22	31,221	59	60,320
French	2	2,641	2	2,786	4	5,427
German	2	861	—	—	2	861
Other nationalities	7	2,964	7	7,425	14	10,389
Total	104	89,304	68	85,224	172	174,528

NOTE.—Coasting vessels are not included in these tables.

By far the most important articles which Great Britain exports to Venezuela are cotton goods and thread. Indeed, these articles have comprised all but 20 per cent. of the total amount of the general goods sent from the United Kingdom to Venezuela. The remainder is made up of woollen and hessian stuffs, spirits, liqueurs, coal, and preserved foods.

The principal articles exported from the United States to Venezuela are machinery and hardware. The other main features, placed in the order of their importance, are flour, cottons, drugs and medicines, preserved foods, and kerosene.

The chief exports from Germany have been cottons, machinery, hardware, rice, preserved foods, untrimmed hats and hat materials, drugs and medicines, glass and porcelain, and paper. In the years preceding 1914, rice came almost exclusively from Germany and Holland. This was brought for the most part in large German sailing vessels, which also carried out coal, cement, earthenware, and other articles.

The principal British interests in Venezuela are in the railways, of which four are British-owned, oil companies, mines, the meat-freezing industry, cotton-mills,

and the exploitation of copra and coco-nut oil. There are Canadian companies interested in the electric lighting and iron-ore enterprises.

In Venezuela the United States enjoys important geographical advantages in the matter of trade, and it is not surprising on this account that the great Republic of the North should head the list of the exports to the Southern country. British exports rank second in degree of importance, Germany coming third in this respect.

It may not be out of place to introduce a hint concerning shipping here. When entering into commercial relations with the South American Republics, more especially those of the north, where the regulations are apt to be more varied and confusing than in the south, it is as well to find out if there should be any local laws affecting the port to which it is proposed to ship. Thus, it will frequently be found that in countries such as Venezuela, certain ports are licensed as ports of entry only, while others are permitted merely as ports of exportation. There are frequently additional regulations which give the preference to local vessels against those engaged in foreign trade. There are a number of places, for instance, at which the local vessels are permitted both to load and unload, but which are closed to ocean-going steamers sailing under a foreign flag.

The field of general industries is continually widening in Venezuela. One of the new industries in this Republic is that of freezing cattle. Notwithstanding the strong United States interests in this trade, the enterprise was started by the British. The difficulty with which this industry has had to contend up to the present has been the obtaining of beasts suitable for freezing.

There is no doubt, indeed, that a large amount of pedigree blood will have to be imported into the Venezuelan *Llanos* before animals of a suitable weight will be met with in remunerative quantities. The com-

parative lack of these has been responsible for the low price offered in Great Britain for a comparatively recent pre-war shipment of meat, no more than twopence a pound having been bid for this! The consignment, I believe, was ultimately sent to Italy.

Notwithstanding the somewhat discouraging start that this enterprise has met with, there seems no doubt that any venture of the kind should meet with ultimate success, for that the pastoral wealth of the *Llanos* must be adequately tapped at some time or other is certain.

British interests in Venezuela, too, have recently been devoted to the petroleum industry in the neighbourhood of Lake Maracaibo. Operations here do not seem to have advanced far beyond the experimental stage. It is needless to point out, moreover, that there is a considerable element of speculation involved. In any case the possibilities are great, and, as a matter of fact, are by no means confined to the neighbourhood of Lake Maracaibo, the eastern States and the banks of the Orinoco promising well in this respect.

Until quite recently the condition of the average Venezuelan road made traffic by motor-car out of the question. This state of affairs is now beginning to be altered, more especially in the neighbourhoods of Caracas and La Guaira. The cart-road which formerly constituted the sole highway between these two centres has now been improved out of all knowledge, and, being now widened and provided with a macadamized surface, as well as provided with proper bridges and other necessities of the kind, it is in a position to deal with any traffic which can reasonably be offered it.

As a result of this a number of American automobiles have already been imported. These are of a light and inexpensive variety, well adapted to cope not only with the road between Caracas and La Guaira, but also with those other highways which are now being extended in other parts of the Republic, some of which are being

excellently constructed, and serve admirably, considering the natural difficulties which have to be overcome, while others are less meritorious. It should be noted that cheapness is an indispensable attribute of the car required in Venezuela at the present time, this Republic not possessing that abundance of spare cash which is the salient feature of some of the other South American States.

As regards the question of cheapness, the British manufacturers do not yet seem to be in a position to compete with the Americans, the heavier type of British car naturally costing more than the other. I believe that not a single British car was imported into Venezuela until a year or two ago. Whether it will be worth the British maker's while to specialize after the war in those light and tough types of car which are now meeting with so great a demand in the vast new stretches of the world that are being opened up for the first time to this kind of traffic remains to be seen. It is clear, in any case, that the splendidly appointed vehicle of which the best British makers are so justly proud is of too delicate and intricate a mechanism to stand the jolts and shaking with which it would have to contend in these enterprising, but rough and ready, new highways.

Without attempting to enter into any of the technical considerations of the case, the matter is certainly one which must be well worth going into very seriously, for the extent of this light motor traffic in the new lands promises to be enormous.

TOTAL IMPORTS AND EXPORTS OF VENEZUELA DURING THE FIVE YEARS 1912–1916.

Year.	Imports.	Exports.
1912	105,677,096	133,323,961
1913	101,955,734	149,101,191
1914	88,110,376	136,392,868
1915	59,000,759	103,625,692
1916	88,557,963	124,843,663

TOTAL IMPORTS OF PRINCIPAL ARTICLES INTO VENEZUELA DURING THE YEAR ENDING JUNE 30, 1914.

Cotton goods	£701,941
Hardware—	
General machinery	195,851
Ironware—	
Sundries	89,064
For building purposes	82,145
Hardware—	
Railway materials	79,990
Automobiles, motors, and accessories ..	68,227
Agricultural machinery	56,995
Thread, cords, and twine	56,212
Hardware—	
Tools and ordinary instruments ..	26,442
Black iron..	26,376
Ironware for household purposes ..	23,029
Cutlery	16,350

RETURN SHOWING THE VALUE OF IMPORTS AT CIUDAD BOLIVAR DURING THE YEARS 1913–14.

	1913.	1914.	Remarks.
From—	£	£	
United States	151,640	104,180	Direct
United Kingdom	81,899	48,481	,,
Germany	75,894	35,892	,,
Netherlands	34,526	18,432	Direct and transit from Germany
Trinidad	21,287	11,071	Direct
France	16,250	9,559	,,
Italy..	11,946	5,555	,,
Spain	11,980	4,024	,,
Belgium	2,141	3,990	
British Guiana	—	1,099	
Total	407,563	242,283[1]	

[1] This total includes £23,644 gold specie from the United States and Demerara.

SCENE ON THE LA GUAIRA AND CARACAS RAILWAY, VENEZUELA.

To face p. 288.

RETURN SHOWING THE DISTRIBUTION OF THE PRINCIPAL ARTICLES OF IMPORT AMONG THE THREE PRINCIPAL SUPPLYING COUNTRIES DURING THE MONTHS JANUARY TO JUNE INCLUSIVE OF THE YEAR 1914.

Articles.	United Kingdom.	United States.	Germany.
	£	£	£
Rice	802	336	3,400
Butter	44	1,513	551
Flour	—	6,881	—
Lard	—	6,197	—
Tinned and preserved provisions ..	389	2,271	371
Biscuits	197	749	195
Beer	190	—	1,011
Other alcoholic beverages	574	3	696
Cotton goods	16,152	1,333	2,890
Linen goods	623	—	119
Woollen goods	881	152	138
Hessians	1,508	—	164
Sewing thread	1,116	—	286
Cordage	104	1,769	195
Leather manufactures..	89	794	28
China, glass, and pottery	98	151	2,559
Paper	13	16	574
Machinery	1,268	3,717	766
Hardware	1,372	481	1,778
Guns	190	645	378
Motor-cars and accessories	—	1,595	—
Agricultural implements and machinery	210	851	344
Barbed wire	—	1,966	73
Other iron manufactures	892	1,278	443
Kerosene and petrol	—	4,545	—
Cyanide	1,185	—	—

RETURN OF SHIPPING OF ALL NATIONALITIES WHICH ENTERED AND CLEARED IN THE FOREIGN TRADE OF THE PORT OF CIUDAD BOLIVAR (ORINOCO RIVER) DURING THE YEAR 1914.

Steam Vessels—Entered.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
British	5	2,155	—	—	5	2,155
Venezuelan ..	52	10,694	—	—	52	10,694
Norwegian	2	1,691	7	3,409	9	5,100
Steam Vessels—Cleared.						
British	6	2,586	—	—	6	2,586
Venezuelan ..	47	10,029	4	619	51	10,648
Norwegian	7	3,409	2	1,691	9	5,100

Sailing Vessels—Entered (with Cargo).

	Vessels.	Tonnage.
Venezuelan	3	41
Colombian	1	5
German	1	474

Sailing Vessels—Cleared.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tonnage.	Vessels.	Tonnage.	Vessels.	Tonnage.
Venezuelan ..	2	10	1	31	3	41
Colombian	1	5	—	—	1	5
German	—	—	1	474	1	474

CHAPTER XIX

BRITISH INTERESTS IN THE VARIOUS REPUBLICS (*continued*)

British interests in Bolivia—Proportion of British trade to the whole—Unsatisfactory situation—Possibilities of increase—Questions of competition—Opinions of British Consuls—Technical notes and hints—Commercial travellers—Objects of which the country has chief need—Financial promise of Bolivia—Transport—Tastes of the inhabitants—The mining industry—Demands that will follow the financial prosperity of the country—Bolivian importations—Tables showing the nature of these—British interests in Colombia—Railways—Chief British exports—Importations of the various ports and frontier towns—Values of the goods imported—Proportions of the various countries concerned—British trade with Ecuador—Favourable position of the United States—Conditions of life in the country—Some social and financial aspects—British companies—Values of the Venezuelan imports, with the countries of origin—Comparative list of imports—Trade of the various Ecuadorian ports—Return of British shipping at the port of Guayaquil.

BOLIVIA is one of these countries where the decrease in British commerce has been most marked. It would seem that this undesirable condition of affairs has been due, not to any particular want of judgment but to a lack of enterprise. Between 1910 and 1915 the proportion of British trade, compared with the whole, fell from 33 per cent. to 18 per cent. It does not require any very elaborate calculation to estimate in how long a time the commerce, if its decadence proceeded at this rate, would be brought to utter extinction.

A very curious coincidence is that during this period the proportion of German trade rose to precisely the same extent, that is to say, from 18 per cent. to 33 per

cent. This situation is the more lamentable as without a doubt Bolivia represents one of the coming Republics of South America, and the opportunities offered here in the near future are almost incalculable. There is no doubt, moreover, that the awakening in Bolivia which is now in the act of occurring will proceed with extraordinary rapidity when the process is in full swing.

One of the main reasons for this diminished proportion of British commerce in the inland Republic is the want of commercial houses in the principal towns. The Germans would seem to have taken the lead in this respect, and the numbers of their importing houses now established in these places are very considerable.

I have pointed out in another place how these firms are endeavouring to maintain their commercial connections by introducing, wherever they can manage to get hold of the goods, British manufactures. It was impossible, as a matter of fact, for them to avoid doing this altogether in the past, although they naturally enough made every effort to substitute German for British goods.

It is this policy, of course, that has done so much to destroy British trade in Bolivia, and which, if it had been permitted to continue unchecked, would undoubtedly have been successful in its aims.

Wherever it is possible I desire in this work to quote the opinions of the British Consuls on the spot, and the Report on Bolivia for the year 1913 by Mr. Vice-Consul J. R. Murray contains much that is worth reading. He says, for instance, that—

"Bolivia is bound to take a larger share, in the future, in the ever-increasing prosperity of South America. and it behoves British manufacturers and exporters to pay greater attention to this country, not as a single unit, but as a part of that greater contiguous region of South America in which trade conditions and the needs of the people show a great similarity. After the opening of the Panama Canal, competition for trade along the

west of South America will become much keener. Already the United States is spreading in these parts an elaborate commercial propaganda, and is paying an ever-increasing attention to commercial organization. In addition, the opening of the great waterway will destroy much of the advantage of relative position which has hitherto been enjoyed by European countries. British traders should, therefore, now take such energetic steps as may be possible to ensure a retention of the strong hold they have in these markets. That British trade is at present susceptible of considerable increase is evidenced by the statement recently made by the representative of a large importing house established in La Paz, to the effect that this firm had, within two years, increased their purchases of goods from the United Kingdom for the Bolivian market from the rate of £5,000 to £40,000 per annum. In some directions, however, efforts to secure trade have been relaxed. Every year fewer British travellers come to Bolivia. It may be that firms are diffident about incurring expense in a market where success seems problematical. It may be remarked that good orders are often to be obtained by merchants' travellers handling several classes of goods and representing a number of firms. And it should always be worth the while of the firms which periodically send representatives to the neighbouring South American Republics to send them to Bolivia as well. The expense of such a trip, say, from Chile or Peru, is not high, and should be amply repaid, if not immediately, at least in the future, when the resources of the country are more developed. In the meantime, valuable expert knowledge of an additional market would be obtained, besides such trade as there is to be had. To make an effective attack on the vast trade, present and future, of South America, it seems probable that some combination among British firms, or commercial bodies, will eventually be made, and it would not appear impossible, in that event, for such a combination to establish some

central institution, say, in Colon or Panama, which will very likely be made free ports, where large stocks of samples could be held, and from which place experienced Spanish-speaking travellers could be sent to Bolivia, as well as to the neighbouring Republics. A necessary adjunct of such a scheme would be a liberal issue of thoroughly comprehensive general catalogues in the Spanish language."

As regards Bolivia, the British Consuls would seem fairly unanimous in their verdicts concerning the position of trade. Thus, Mr. Consul Moore at Sucre reports :

"Since the larger part of Bolivian import trade is in the hands of German firms, we need not be surprised to find that many of the goods coming from that country are re-exports of articles manufactured in the United Kingdom, France, Belgium, or Austria-Hungary. Whether it makes any difference or not to British manufacturers if their products are exported direct to the consumer or through the German agents may be a debatable question. I certainly consider that the latter, besides making his commission and favouring transport in German ships, must always incline to the substitution of German manufactures whenever this is possible, imitating as near as he can the special lines most in demand down to trade-marks and tickets, to the detriment of those from other countries.

"The following items are mostly re-exports from Hamburg wherein the British trader might have a greater share : Wines and spirits, which include French wines, cognacs, and other alcoholic liquors, as well as British whisky and gin ; cement, including British and Belgian ; candles, mostly Belgian ; cotton textiles, almost exclusively British ; and men's hats (both straw and felt), which are more French or Italian than British or German.

"In ladies' and children's boots and shoes, laces, embroidery and trimmings, silk textiles, ladies' apparel and drapery, the articles wholly or partially manu-

factured in Germany are fast superseding those of French make.

"British manufactures would never have lost in some lines if they were adequately represented by British firms established in this country, if more commercial travellers and agents were sent out, or if the goods were brought more to the notice of the customer by means of numerous samples and catalogues and price-lists printed in Spanish. The following are the chief lines: Drugs and patent medicines, boots and shoes, wool textiles, crockery, glassware, iron and steel manufactures, domestic articles and contrivances, machines and motors, various classes of tools and implements, and arms and ammunition."

From Cochabamba comes a similar plea for greater enterprise, Mr. Vice-Consul Barber having the following to say:

"*Commerce.*—A prosperous business is done in this department, most of the commerce being in the hands of German firms, who import many of their goods from the United Kingdom, chiefly through Hamburg commission agents, and also from the United States. British trade might be considerably developed in this country if British goods were brought more to the notice of the consumers. Goods ought to be continually offered to many respectable firms established here. German trade is more active; commercial travellers representing German firms frequently travel through the department offering their goods. Many articles which are manufactured in the United Kingdom, such as boots, shoes, felt and straw hats, caps, ties, collars, etc., and many others superior in quality to those of the Continent, might be imported from the United Kingdom and compete with those from Germany, France, and Italy. As no statistics are obtainable, it is difficult to say what amount of goods are imported in this department. The approximate value is from £400,000 to £500,000.

"From the United Kingdom come boots and shoes, candles, stationery, soap, tinned provisions, cotton goods, shirting, *bayetas*, ironware, whisky, carpets, and beds.

"From Germany, machinery for mines, river steamers for the Beni and Mamoré district, alcohol, arms and ammunition, glass and porcelain, sewing machines, boots, shoes, hats, cotton and woollen goods, pianos, carriages, toys, sugar, underwear, ladies' and children's clothes, tinned provisions, hardware, jewellery, typewriters, haberdashery, and manufactures of iron.

"From France, wines, champagne, brandy, liqueurs, perfumery, scientific instruments, boots, shoes, ladies' apparel, and jewellery.

"From the United States, paraffin, bank notes, patent medicines, typewriters, carriages, machinery, sewing machines, pianos, *tocuyos*, grey cloth, arms and ammunition, soaps, and glassware.

"From Italy, hats, cotton goods, and flannel.

"The firms established in Cochabamba do mostly a wholesale business. Goods take about four or five months to reach Cochabamba from Europe. Valuable articles and goods, such as boots and shoes, perfumery, stationery, silk goods, and all articles packed in cases, ought to be insured against robbery, as these goods are much more liable to be stolen at the ports than bales. It is therefore advisable to have goods packed in bales where possible."

As a final quotation concerning this matter, I will take a couple of paragraphs from Mr. Vice-Consul Mason's Report from Uyuni :

"There has been a good deal of German activity in the department during the year, especially in dry and soft goods. The terms for payment given by the German firms are infinitely better than those given by other European or American firms, which are usually acceptance of draft at 60 or 90 days, against documents, whereas the German terms are usually six months from date of

shipment, or four months from the receipt of the goods in Bolivia.

"These latter terms undoubtedly attract the customer, and while I do not recommend at the present moment any particular pushing of goods in this department, or the alteration of terms of payment, still, later on, when things are working more smoothly, it might suit British exporters to consider the advisability of working on the same terms as their German competitors, and to take into consideration the length of time incurred from the acceptance of a draft to the time of receipt of the goods here, as a rule a matter of from six weeks to two months."

When commerce with Bolivia is renewed to its full extent, the eyes of the British manufacturers and merchants will at all events have been fully opened. Should they permit them to be closed again, the result must react not only on their own heads, but upon those of their fellow-countrymen.

We may now turn to some rather more general remarks concerning this interesting Republic.

As a commercial field, Bolivia has an especial interest at the present moment, since the development of this country cannot fail to be extraordinarily rapid at the conclusion of the war.

Until comparatively recent years, Bolivia was undoubtedly, from a commercial point of view, one of the most backward of the South American nations.

This situation, it must be said, was due to the extraordinarily difficult country, such as the mountainous regions of the inland Republic offer, rather than to want of enterprise on the part of the Bolivians themselves.

It was, of course, this backward condition itself that pointed out Bolivia as a favourable country for enterprise, and although an astonishing number of the most "knowing" ones in the whole continent of South America have decided upon Bolivia as a new field for their efforts, were the science of transport in the same

TOTAL IMPORTS INTO BOLIVIA—*continued.*

Articles.	1912.	1913.
Iron and steel	£71,662	£16,665
Electrical material.. ..	69,868	16,043
Cattle	62,222	33,147
Drapery, general	61,278	33,147
Railway material	55,983	60,046
Paper and cardboard, manufactures of, including stationery	58,129	36,597
Cinematograph and photographic material ..	51,634	18,861
Timber	51,797	23,514
Dresses, women's	50,851	23,111
Furniture	42,466	23,020
Tools	40,720	27,264
Rice	40,008	14,235
Boots and shoes	39,640	12,735
Drugs and patent medicines	38,482	20,402
Furs and skins	34,069	10,792
Clothing, women's ..	31,570	20,678
Cement	30,497	4,945
Fish	25,713	14,513
Vehicles (carts and carriages)	21,956	11,489
Jewellery	21,738	4,287
,, imitation ..	21,444	7,434
Fruit	20,696	9,337
Paint and varnish	20,484	11,582
Tiles, bricks, etc.	20,196	121
Soap..	19,992	10,115
Locomotives	13,816	18,566
Musical instruments and accessories	12,383	5,993
Mineral oils and their derivatives	17,760	6,887
Beer	16,485	8,463
Other foodstuffs	17,620	16,446
Zinc	14,552	16,368
Alimentary pastes ..	14,934	1,066
Cutlery	14,988	7,128
Tools, artisans'	14,675	7,591
Lard and other animal fats	14,651	14,050
Books, printed and plain..	14,558	7,778
Thread, cotton	14,500	3,891
Iron and steel	5,025	13,857
Milk, condensed	13,795	7,262
Clothing, men's	13,290	9,756
Spices	15,047	9,241
Porcelain and earthenware	11,031	3,871

TOTAL IMPORTS INTO BOLIVIA—*continued.*

Articles.	1912.	1913.
Copper and bronze, manufactures of	£11,032	£4,039
Glass, crystal	10,893	7,504
Perfumery	10,330	6,072
Maize and maize flour ..	10,282	719
Vegetables, preserved ..	9,282	2,036
Scientific instruments ..	9,671	3,331
Jute	9,986	180
Objets d'art	8,441	2,814
Leather goods	2,738	8,324
Tools, agricultural ..	8,183	8,988
Pens	8,047	2,678
Cocoa	7,792	3,476
Cattle food in various forms	7,366	3,733
Barley	7,170	3,481
Glass, window	7,680	3,224
,, other	6,758	966
Paper for walls	6,800	1,546
Worsted thread	6,824	3,853
Zinc, manufactures of ..	6,271	616
Tea	6,194	4,764
Watches and clocks ..	5,694	2,731
Silk	5,652	1,714
,, and cotton	5,351	3,185
Machinery, agricultural ..	5,459	4,505
Mirrors	5,296	2,285
Coffee	5,347	4,092
Sheep	5,224	3,561
Linen	—	4,946
Oil	3,886	4,796
,, olive	4,375	1,455
Salt	4,121	2,415
Vegetables, fresh	4,252	821
Machines, sewing	4,145	4,359
Rubber and caoutchouc, manufactures of ..	4,557	1,868
Butter	3,905	2,435
Unclassified articles of animal origin	3,888	1,666
Wool, unclassified	3,560	567
,, and silk	3,262	965
Miners' tools	2,875	3,557
Flax	3,012	568
Cotton and silk textiles ..	2,704	1,063
Mineral waters	2,544	1,195
Wool textiles	2,531	1,234
Wheat	2,326	765

TOTAL IMPORTS INTO BOLIVIA—*continued.*

Articles.	1912.	1913.
Typewriters	£2,203	£195
Cereals, other than wheat, etc.	2,077	608
Vegetable gums and waxes	2,102	1,803
Tin, manufactures of ..	1,197	714
Silk thread	1,558	851
Marble, cement, and stone, manufactures of ..	2,250	1,386
Rope and string	2,519	2,168
Cigars and cigarettes ..	1,888	1,160
Animals, other than horses and cattle	1,821	592
Hops	1,764	1,615
Pottery	966	1,744
Lead..	1,178	—
Textiles, other than cotton, silk, and wool	1,682	261
Gloves	1,243	572
Cotton, raw	1,057	40
Motor-cycles	1,068	13
Oats	1,062	145
Unclassified articles of vegetable origin	997	715
Refining and distilling machinery	993	2,057

In Colombia the principal direct British interest is that of the railways, and it is estimated that the British-owned lines comprise about 60 per cent. of the total railways of the Republic. Beyond this there is a considerable amount of capital invested in the general industries of the country.

Among the chief British exports to Colombia are textiles, sugar and coffee machinery, agricultural implements, and cotton. The trade in mining machinery would seem to be shared by Great Britain and the United States. The former country, too, supplies the railway material for its own lines, and, beyond this, a certain quantity for the remaining lines. The United States competition, however, is beginning to be felt in this.

A certain amount of hardware is sent from Great Britain, although Germany in the past has had the greatest share of this trade. It appears that the British goods are of too high a grade for this market, where the high duties that prevail and the poverty of the average person entail a demand for the very cheapest kind of article.

IMPORT AND EXPORT TRADE DURING THE YEARS 1911–12 OF THE DIFFERENT PORTS AND FRONTIER TOWNS OF COLOMBIA.

Imports.

	1911.	1912.
Barranquilla	£1,922,711	£2,489,106
Cartagena	867,161	1,016,861
Buenaventura	370,707	767,954
Tumaco	210,499	234,275
Cucuta	138,596	153,694
Santa Marta	75,750	88,807
Ipiales	11,519	13,941
Riohacha	16,794	13,738
Arauca	4,369	8,884
Orucué	3,665	5,664

Exports.

Barranquilla	1,648,898	2,446,322
Cartagena	1,185,432	1,333,032
Riohacha	46,892	972,302[1]
Cucuta	417,531	598,584
Santa Marta	460,645	490,726
Tumaco	314,668	283,431
Buenaventura	356,148	268,593
Arauca	18,569	24,220
Ipiales	14,104	13,593
Orocué	12,292	13,546

[1] Includes gold and silver to the value of £946,666 exported, without indication of port of shipment, through the registered post.

RETURN SHOWING WEIGHT AND VALUE OF EXPORTS DURING THE YEARS 1911–12, AND ARRANGED ACCORDING TO VALUE.

	1911.		1912.	
	Kilos.	Dollars.[1]	Kilos.	Dollars.[1]
Vegetable products ..	180,789,664	14,375,300	180,855,648	20,792,418
Minerals	1,737,223	4,507,761	1,389,442	7,769,387
Animal products ..	5,050,452	1,960,409	6,215,576	2,258,701
Manufactures	2,698,362	1,347,393	543,763	1,210,678
Living animals ..	166,438	92,852	259,071	150,605
Miscellaneous products	16,318	7,445	340,428	39,954
Money	418	84,735	—	—
Total	190,458,875	22,375,899	189,603,928	32,221,746
Equivalent in sterling	—	£4,475,180	—	£6,444,349

[1] At 5 dollars gold to the £1.

RETURN SHOWING VALUE AND WEIGHT OF IMPORTS DURING THE YEAR 1911, AND ARRANGED ACCORDING TO VALUE.

	Kilos.	Dollars.
Textiles	9,504.495	8,025,856
Foodstuffs	34,745,274	2,191,009
Metals	13,028,103	2,004,081
Drugs and medicines ..	3,694,464	762,208
Locomotion	7,576,559	726,048
Arts	3,148,380	702,856
Wines, spirits, etc.	4,296,591	628,595
Ceramics and stone ..	12,732,159	457,381
Paper and carton	1,997,718	453,701
Light and combustibles ..	15,076,338	371,447
Agriculture and mines ..	1,844,470	323,074
Hides, skins, and manufactures of	128,581	310,440
Lumber, etc.	5,396,424	226,372
Oils and greases	698,810	106,818
Varnishes, colours, etc. ..	506,794	104,345
Electricity	355,673	100,089
Perfumery and soap	517,137	97,388
Musical instruments	90,524	55,767
Rubber and celluloid ..	53,531	84,504
Horn and shell	47,343	53,501
Arms, munitions, and accessories	32,415	48,991
Explosives	105,735	38,419
Living animals	57,110	7,179
Miscellaneous	453,182	228,781
Total	116,087,810	18,108,850
Equivalent in sterling ..	—	£3,621,770

RETURN SHOWING VALUE AND WEIGHT OF IMPORTS DURING THE YEAR 1912, AND ARRANGED ACCORDING TO VALUE.

	Kilos.	Dollars.
Textiles	12,878,921	10,547,134
Foodstuffs	44,256,723	3,054,952
Metals	16,782,033	2,916,924
Locomotion	6,675,637	1,031,711
Drugs and medicines	4,245,911	838,348
Wines and spirits, etc.	5,666,696	835,772
Arts	1,842,825	620,251
Light and combustibles	17,310,374	564,063
Ceramics and stone	13,481,056	503,579
Paper and carton	3,011,595	477,522
Skins, hides, and manufactures of ..	225,841	459,606
Agriculture and mines	1,815,983	381,587
Wood, and manufactures of ..	3,064,456	317,401
Electrical	599,051	175,638
Oils and greases	1,164,251	171,733
Perfumery and soap	769,499	152,169
Varnish, colours, and dyes	582,054	125,862
Rubber, celluloid, and guttapercha	72,651	102,358
Explosives	287,560	94,116
Shell, horn, bone, etc.	43,473	75,600
Musical instruments	127,587	69,622
Arms, munitions, and accessories ..	36,795	57,438
Living animals	123,427	26,016
Miscellaneous	754,958	365,209
Total	135,819,357	23,964,611
Equivalent in sterling	—	£4,792,923

RETURN SHOWING CONTRIBUTIONS OF THE LEADING COUNTRIES ENGAGED IN THE IMPORT TRADE OF COLOMBIA DURING THE YEAR 1911.

Articles.	United Kingdom.	United States.	Germany.	France.	Other Countries.	
	Dollars. c.	Dollars. c.	Dollars. c.	Dollars. c.		Dollars. c.
Textiles	4,202,733.58	1,089,945.04	1,194,529.47	897,992.62	—	—
Foodstuffs	181,324.47	1,078,386.93	540,132.28	62,221.01	—	—
Metals	652,501.33	679,628.47	487,204.14	92,038.89	—	—
Drugs and medicines	109,010.58	327,832.34	127,912.16	154,004.63	—	—
Wines, spirits, etc., textiles, foodstuffs, lumber	..	..	..	..	Spain	397,733.47
					Panama ..	31,790.68
					Other countries	1,474,190.86
Locomotion	151,109.75	441,112.72	60,810.22	8,890.75	—	—
Arts	84,977.90	518,486.18	56,388.69	11,817.15	—	—
Wines, spirits, etc. ..	78,232.29	42,059.45	72,282.07	196,058.03	—	—
Ceramics and stone	38,440.17	130,697.12	172,841.39	41,215.10	—	—
Paper and carton ..	19,832.16	190,691.32	145,148.48	45,350.55	—	—
Light and combustibles	45,402.91	196,570.77	47,442.19	14,878.60	—	—

Agriculture and mines	143,430.81	131,548.02	16,808.80	1,301.95	—	—
Hides, skins, and manufactures of ..	34,114.65	161,289.52	46,683.88	55,963.32	—	—
Lumber, etc. ..	7,949.09	87,763.78	69,950.52	21,185.03	—	—
Oils and greases ..	16,672.22	51,960.45	16,609.68	7,334.84	—	—
Varnishes, colours, etc.	15,605.61	35,248.80	41,930.72	5,065.60	—	—
Electricity	10,307.48	50,397.72	29,818.36	3,739.40	—	—
Perfumery and soap	12,188.49	51,868.85	10,140.47	21,323.69	—	—
Musical instruments .	1,942.50	14,812.27	24,327.69	11,632.05	—	—
Rubber and celluloid	9,293.20	19,444.84	30,097.79	22,296.39	—	—
Horn and shell ..	4,059.83	1,505.39	22,565.91	21,813.71	—	—
Arms, munitions, and accessories ..	4,402.30	13,601.02	17,752.98	4,976.98	—	—
Explosives	10,736.36	21,913.79	2,570.27	89.00	—	—
Living animals ..	200.00	819.30	—	520.00	—	—
Miscellaneous ..	4,322.01	67,391.87	8,686.74	17,038.51	—	—
Total ..	5,838,789.69	5,404,975.96	3,242,634.90	1,718,747.80	—	1,903,715.01
Equivalent in sterling[1]	£1,167,758	£1,080,995	£648,527	£343,750	—	£380,743

[1] At 5 dollars gold to the £1.

RETURN SHOWING CONTRIBUTIONS OF THE LEADING COUNTRIES ENGAGED IN THE IMPORT TRADE OF COLOMBIA DURING THE YEAR 1912.

Articles.	United Kingdom.	United States.	Germany.	France.	Italy.	Other Countries.	
	Dollars. c.	Dollars. c.	Dollars. c.	Dollars. c.	Dollars. c.		Dollars. c.
Textiles	5,479,399.22	1,667,131.53	1,382,289.12	902,917.46	457,532.80	—	—
,, foodstuffs, combustibles, metals ..	..	..	..	..	..	Belgium	570,918.91
Foods and condiments ..	244,263.50	1,573,257.30	774,072.75	89,821.33	19,249.27	—	—
Metals	893,320.10	1,060,274.63	686,131.37	145,719.26	19,726.26	—	—
Locomotion	99,635.11	876,863.58	17,058.62	16,008.11	200.00	—	—
Drugs and medicines ..	98,113.21	390,546.66	150,090.51	150,492.72	6,052.17	—	—
Wines, spirits, etc. ..	101,804.17	68,172.86	104,815.11	292,788.31	23,902.03	—	—
,, textiles, foodstuffs	..	..	..	..	..	Spain	476,968.86
Foodstuffs, textiles ..	..	..	..	..	..	Venezuela ..	82,621.84
						Isthmus of Panama	53,264.20
						Dutch East Indies	60,723.81
						Other countries ..	459,317.33
Arts	109,449.24	349,060.87	108,057.59	23,327.73	15,133.77	—	—
Light and combustibles..	75,051.80	272,241.01	99,034.16	26,815.86	3,589.80	—	—
Ceramics and stone ..	37,703.80	157,674.11	223,800.57	46,581.92	12,399.31	—	—

Paper and carton ..	26,838.03	96,629.91	205,034.62	65,332.51	8,556.20	—	—
Skins, leather, and manufactures	69,388.58	232,219.92	64,867.20	75,827.08	1,445.00	—	—
Agriculture and mines ..	152,410.65	182,017.48	18,674.77	11,913.94	—	—	—
Wood, and manufactures of	12,282.79	111,595.76	129,632.74	31,477.47	2,772.43	—	—
Electrical	22,888.98	110,922.23	29,720.33	1,794.55	4,258.60	—	—
Oils and greases	27,135.93	94,457.96	20,468.59	10,016.31	6,530.51	—	—
Perfumery and soap ..	23,010.03	92,064.79	9,604.98	24,012.58	247.53	—	—
Varnish, colours, and dyes	20,367.93	48,824.59	41,038.49	6,810.80	2,618.60	—	—
Rubber, celluloid, gutta-percha, etc.	13,993.10	25,635.13	31,296.58	23,294.19	4,727.00	—	—
Explosives	41,319.97	48,876.91	2,425.42	307.00	—	—	—
Shell, horn, bone, etc. ..	6,358.76	1,195.47	25,983.09	33,947.24	4,111.40	—	—
Musical instruments ..	774.83	17,398.83	39,733.21	6,069.16	1,396.08	—	—
Arms, munitions, and accessories	5,323.14	27,203.77	7,760.36	7,459.68	—	—	—
Living animals	—	1,608.00	1,970.00	—	8.00	—	—
Miscellaneous	278,045.78	106,164.03	27,565.25	19,150.95	2,423.72	—	—
Total	7,838,878.65	7,612,037.33	4,201,125.43	2,011,886.16	596,880.48	—	1,703,814.95
Equivalent in sterling [1]	£1,567,776	£1,522,407	£840,225	£402,377	£119,376	—	£340,763

[1] At 5 dollars gold to the £1.

It is surprising to find that the exports of not a few of the South American Republics have maintained their level since the outbreak of the war. Ecuador affords an instance of this kind. In 1915, for instance, that northern Republic exported over £2,600,000 worth of her goods, which may be taken as very little below the average for the past half-dozen years.

It is true that the imports do not tally with this condition of affairs, although it is to be remarked that those for 1915 exceeded those of 1914 by almost £20,000. The United States, favoured by her geographical position, enjoyed the principal share of Ecuador's trade, Great Britain making a close second, with Germany and France in the respective third and fourth places. The situation since the European war is not a little instructive in this respect, the imports from the United States having risen from £476,000 to £661,000, those of Great Britain having likewise increased from £535,000 to £691,000 in the same period, while those of France declined from £127,000 to £51,000 and those of Germany from £319,000 to £10,000.

From the commercial and industrial point of view Ecuador cannot as yet be ranked among the progressive countries of South America. It must not be inferred from this that no advance has been made in the economic conditions of the country. On the contrary, the natural riches and the agricultural resources of the Republic have been made to increase vastly since the beginning of the present century, and their extent may be said to have more than doubled in this short period.

In spite of this the conditions of the country are still backward when compared with those which prevail in so many other of the South American States. Thus the laws of the country are in many respects framed in a manner which tends to discourage, rather than to foster, modern commerce. Moreover, although the characteristic cannot be applied to the most enlightened of the inhabitants of the Republic, the average Ecua-

dorian has not yet become accustomed to regard the foreigner as one who, however indirectly, is working for the benefit of his country. On the contrary, he is a little liable to regard the commercial stranger with a considerable amount of suspicion and jealousy. In the rapid development of events which is occurring throughout the continent, it is out of the question, of course, for this condition of affairs to be permanent. Nevertheless, it is still prevalent up to a certain point, and has, therefore, to be reckoned with.

It must be said, too, that sanitation still leaves much to be desired in Ecuador; and even in Guayaquil, the commercial capital, the conditions of health are not yet of a modern order.

The British have a railway interest in Ecuador in the Central Railway of Ecuador, a company which was registered in 1910, and which has already begun operations

Various British land companies are concerned with Ecuador, and other British interests are connected with oilfields, and with the coffee and rice industries, as well as with such enterprises as sack-making and similar ventures. With the exception of oil, the mineral resources of the country are slight, and, if any British interests exist in this quarter, they are quite unimportant.

Commercial travellers are taxed to the extent of 100 sucres, the equivalent of £10, on entering the Republic. In certain contingencies, moreover, further taxes are imposed. Samples of no value, and others which have been rendered unfit for practical use, are admitted free of duty. Samples of value, if in the charge of a commercial traveller, are allowed free temporary admission, providing that a guarantee be provided by one of the leading merchants of the Republic.

VALUES OF THE ECUADORIAN IMPORTS, WITH THE COUNTRIES OF ORIGIN.

Country.	1909.	1910.	1912.
	£	£	£
United Kingdom	628,163	505,267	629,298
United States	479,600	462,896	552,821
Germany	334,686	323,231	433,204
France	122,087	108,134	126,760
Italy	92,229	69,230	101,423
Belgium	87,536	66,944	95,787
Spain	66,359	55,842	79,020
Salvador	3,255	15,869	—
Peru	22,552	12,297	36,293
Chile	20,275	11,078	17,144
Other countries	13,682	16,872	58,818
Total	1,870,424	1,647,660	2,130,568

COMPARATIVE LIST OF IMPORTS INTO ECUADOR DURING THE YEARS 1909–10 (CUSTOM-HOUSE VALUES).

	1909. Sucres.	1910. Sucres.
Food products ..	2,152,204	2,641,793
Ironware	1,193,622	1,125,893
Lumber	36,526	131,743
Machinery	687,990	719,924
Paper, etc.	360,302	311,722
Paints, oils, etc. ..	91,572	243,979
Clothing	1,393,140	698,352
Jewellery	56,890	9,386
Textiles in general ..	4,979,352	3,532,847
Silk fabrics, etc ..		133,132
Wines and liquors ..	650,956	719,716
Candles	223,134	256,060
Fire-arms, etc. ..	42,842	222,853
Boats, etc.	22,370	38,752
Cement	83,216	112,028
Leather goods ..	236,306	432,591
Rope	118,964	303,606
Crockery and glassware	197,336	234,623
Gold and silver ..	1,706,000	2,056,000
Coal	216,076	480,079
Drugs, medicines, etc., and chemicals ..	382,406	476,830
Sundries	3,673,066	1,600,694
Total	18,704,244	16,476,603

IMPORTS AND EXPORTS AT VARIOUS ECUADORIAN PORTS DURING THE YEAR 1910.

Port.	Imports.		Exports.	
	Kilos.	Sucres.	Kilos.	Sucres.
Guayaquil ..	61,078,512	14,356,521	45,200,896	21,993,470
Puerto Bolivar ..	140,911	57,709	305,221	76,524
Ballenita [1] ..	—	—	104,035	57,030
Manglar Alto [1] ..	—	—	614,035	112,512
Machalilla [1] ..	—	—	1,022,335	292,452
Cayo [1]	—	—	1,784,400	788,356
Manta	3,569,779	913,362	5,374,585	2,127,890
Bahia de Caraquez	4,103,245	799,344	5,065,280	1,784,220
Esmeraldas ..	1,186,934	313,861	4,592,503	810,528
Macara	54,376	33,158	26,103	11,530
Tulcan	14,065	2,648	14,550	7,852
Total	70,147,822	16,476,603	64,103,943	28,062,364

[1] Minor ports, for exportation only.

RETURN OF BRITISH SHIPPING AT THE PORT OF GUAYAQUIL DURING THE YEAR 1910.

Steam Vessels.

	Entered.		Cleared.	
	Vessels.	Tonnage.	Vessels.	Tonnage.
From—				
United Kingdom ..	6	15,799	6	15,799
Chile	33	91,580	34	94,576
Panama	58	60,402	66	61,858
Peru	3	138	3	138
United States.. ..	9	21,015	6	14,177
Chile	—	—	5	9,968
Total	109	188,934	120	196,516

Sailing Vessels—Entered.

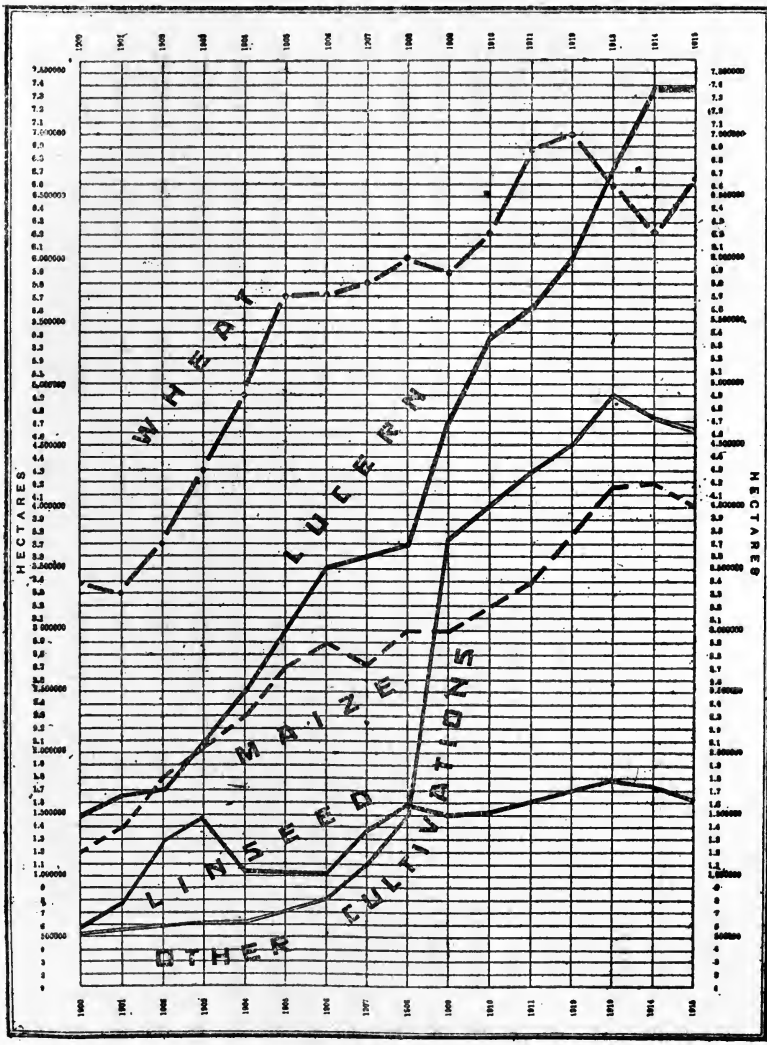
	Vessels.	Tonnage.
Germany	1	1,645
Australia	1	1,119
Total	2	2,764

RAILWAY MILEAGE OF THE WORLD—*continued.*

Country.	Length in Miles.
14 Italy	10,707
15 South Africa	9,795
16 Spain	9,383
17 Sweden	8,760
18 Japan, including Korea	6,173
19 China	6,124
20 Belgium	5,382
21 Algiers and Tunis	3,966
22 Egypt	3,675
23 *Chile*	3,574
24 Greater Antilles	3,295
25 Asia Minor, etc.	3,280
26 Switzerland	2,971
27 Denmark	2,344
28 Cochin China	2,257
29 Roumania	2,241
30 German colonies in Africa	2,148
31 Holland	1,985
32 Norway	1,922
33 French colonies in Africa	1,879
34 British colonies in Africa	1,861
35 Portugal	1,854
36 *Central America*	1,771
37 *Peru*	1,656
38 *Uruguay*	1,639
39 Dutch India	1,587
40 Bulgaria	1,208
41 Portuguese colonies in Africa	1,002
42 Greece	988
43 Turkey in Europe	968
44 Malayan States	858
45 Belgian Congo Colony	762
46 *Bolivia*	756
47 Newfoundland	680
48 Siam	677
49 *Venezuela*	634
50 *Colombia*	614
51 Serbia	582
52 Ceylon	577
53 *Ecuador*	349
54 Lesser Antilles	336
55 Luxemburg	322
56 *Paraguay*	232
57 British Guiana	104
58 Italian colonies in Africa	74
59 Malta, Jersey, Man	68
60 Portuguese India	51
61 Dutch Guiana	37
62 Persia	33

THE DEVELOPMENT OF ARGENTINE AGRICULTURE

Cultivated areas in hectares (1,000 hectares = 3,861 sq. miles)



CATTLE STOCK OF THE WORLD, SHOWING THE POSITION HELD BY THE CHIEF LATIN AMERICAN CATTLE STATES.

Country.	Year.	Cattle.	Sheep.	Goats.	Swine.	Horses.	Asses and Mules.
British Indies	1911	120,658,081	23,280,662	30,900,309	—	1,564,935	1,454,973
United States	1915	59,329,000	49,956,000	—	64,618,000	21,195,000	4,479,000
Russia, European ..	1912	35,547,348	42,735,567		11,944,568	23,860,178	—
Argentine Republic ..	1914	30,000,000	80,000,000	4,564,000	3,200,000	9,000,000	929,000
Brazil	1913	30,705,000	10,653,000	10,049,000	18,399,000	7,289,000	3,208,000
Germany	1912	20,182,021	5,803,445	3,410,396	21,923,707	4,523,050	13,147
France	1913	14,807,380	16,213,030	1,453,230	7,047,750	3,230,700	752,960
Russia, Asiatic.. ..	1912	13,348,888	31,330,600		1,564,055	9,309,528	—
United Kingdom ..	1912	11,874,594	28,886,561	—	3,979,754	1,985,355	—
Australia	1913	11,485,852	85,058,396	—	801,059	2,518,573	—
Austria	1910	9,160,009	2,428,101	1,256,778	6,432,080	1,802,848	73,408
Uruguay	1908	8,192,602	26,286,296	19,951	180,099	556,307	17,671
Hungary	1911	7,319,121	8,548,204	426,981	7,580,446	2,351,481	—
Italy	1908	6,218,227	11,162,926	2,714,878	2,507,798	906,820	1,235,180

Canada	1914	6,036,817	2,058,045	—	3,434,261	2,947,738	—
Mexico	1902	5,142,457	3,424,430	4,206,011	616,139	859,217	622,426
Sweden	1911	2,689,609	945,709	66,136	951,164	588,485	—
Roumania	1900	2,588,526	5,655,444	232,515	1,709,205	864,324	7,701
Spain	1912	2,561,894	15,829,954	3,116,226	2,571,359	525,853	1,758,330
Denmark	1914	2,462,862	514,918	40,670	2,496,661	568,240	—
Bulgaria	1905	2,172,405	8,130,997	1,384,116	465,333	538,271	136,027
Holland	1913	2,096,599	842,018	232,478	1,350,204	334,445	—
New Zealand	1913	2,020,171	24,798,763	—	348,754	404,284	
Belgium	1913	1,849,484	—	—	1,412,293	267,160	—
Chile	1912	1,760,272	4,168,572	273,218	165,673	420,786	70,226
Russia (Finland) ..	1910	1,573,163	1,309,186	12,654	418,500	296,136	—
Ceylon	1911	1,465,380	90,394	195,155	86,548	4,815	—
Switzerland	1911	1,443,483	166,414	341,296	570,226	144,128	4,717
Japan	1912	1,399,498	3,308	101,475	308,970	1,581,743	4,717
Egypt	1913	1,269,823	—	—	—	47,911	705,354
Norway	1907	1,094,101	1,393,488	296,442	318,556	172,468	—

THE COMMERCE OF AMERICA—IMPORTS AND EXPORTS.

Value of Trade.

	Country.	Year.	Dollars Gold, Millions.
1	United States	1914	4,411·8
2	Canada	1914	1,112·6
3	*Argentina*	1915	785·2
4	Brazil	1914	413·3
5	Cuba	1914	304·8
6	Mexico	1913	256·8
7	Chile	1914	215·2
8	West Indies (British) ..	1914	104·7
9	Uruguay	1914	96·1
10	Porto Rico	1914	82·4
11	Peru	1914	67·1
12	Colombia	1913	65·1
13	Venezuela	1914	45·7
14	Bolivia	1914	39·0
15	Guatemala	1914	22·9
16	Santo Domingo	1913	20·4
17	Haiti	1913	20·1
18	West Indies (French) ..	1913	20·0
19	Ecuador	1914	19·2
20	Costa Rica	1914	19·1
21	Guiana (British)	1914	18·8
22	San Salvador	1914	15·9
23	Panama	1914	14·9
24	Nicaragua	1913	13·6
25	Honduras	1914	13·5
26	Paraguay	1914	9·7
27	Guiana (Dutch)	1913	6·9
28	Guiana (French)	1913	4·9

Population.

	Country.		Dollars Gold per Head.
1	Canada..	8,075,000	137.78
2	Cuba	2,469,125	123.40
3	Guiana (French) ..	48,800	100.40
4	*Argentina*	7,988,383	98.30
5	Guiana (Dutch) ..	86,134	80.00
6	Uruguay	1,315,714	73.04
7	Porto Rico	1,183,173	69.64
8	Guiana (British) ..	304,000	61.84
9	Chile	3,551,703	60.59
10	West Indies (British)..	1,751,718	59.77
11	West Indies (French)..	397,900	50.26
12	Costa Rica	420,179	45.45
13	United States.. ..	98,781,324	44.66
14	Panama	400,000	37.25
15	Santo Domingo ..	725,000	28.13
16	Honduras	562,000	24.00
17	Nicaragua	690,000	20.00
18	Brazil	24,308,000	17.00

STATUE OF CHRIST ON THE ARGENTINE-CHILEAN FRONTIER.

To face p. 320.

THE COMMERCE OF AMERICA—*continued.*

Country.		Dollars Gold per Head.
19 Venezuela	2,755,685	16.58
20 Mexico	15,446,000	16.57
21 Bolivia	2,520,538	15.47
22 Peru	4,500,000	14.91
23 Ecuador	1,500,000	12.80
24 Guatemala	2,119,165	10.90
25 Colombia	5,473,000	10.89
26 San Salvador	1,600,000	9.90
27 Paraguay	1,000,000	9.70
28 Haiti	2,500,000	8.40

TOTAL TRADE OF UNITED KINGDOM WITH THE SOUTH AMERICAN REPUBLICS IN 1914 (British Official Statistics).

Imported.

From—	£
1 *Argentina*	34,868,057
2 Chile	4,460,977
3 Brazil	3,956,391
4 Peru	2,614,592
5 Uruguay	2,579,242
6 Bolivia	1,347,599
7 British Guiana	1,046,854
8 Colombia	825,572
9 Ecuador	484,731
10 Falkland Islands	244,428
11 Venezuela	99,298
12 Dutch Guiana	86,140
13 Paraguay	5,013
14 French Guiana	1,758
	52,620,652

Exported.

To—	£
1 *Argentina*	15,080,668
2 Brazil	6,601,211
3 Chile	4,010,030
4 Uruguay	1,725,638
5 Colombia	1,184,398
6 Peru	1,138,467
7 British Guiana	801,949
8 Venezuela	583,547
9 Ecuador	450,578
10 Bolivia	266,226
11 Falkland Islands	110,808
12 Paraguay	73,727
13 Dutch Guiana	62,060
14 French Guiana	6,449
	32,095,756

TRADE OF THE UNITED STATES OF AMERICA WITH THE REPUBLICS OF SOUTH AMERICA IN 1914 (Compiled from American Official Statistics).

Country.	Imports.	Exports.	Balance of Trade—	
			In Favour of U.S.A.	Against U.S.A.
	Dollars.	Dollars.	Dollars.	Dollars.
Argentine Republic	45,123,988	45,179,089	55,101	—
Falkland Islands ..	—	776	776	—
Paraguay	64,651	173,191	108,540	—
Guiana (French) ..	—	295,334	295,334	—
Bolivia	70	1,145,555	1,145,485	—
Guiana (British) ..	110,603	1,700,360	1,589,757	—
Brazil	101,329,073	29,963,914	—	71,365,159
Colombia	16,051,120	6,786,153	—	9,264,967
Chile	25,722,128	17,432,392	—	8,389,736
Peru	12,175,723	7,141,252	—	5,034,471
Venezuela ..	9,763,069	5,401,386	—	4,361,683
Uruguay	7,715,144	5,641,266	—	2,073,878
Ecuador	3,595,456	2,967,759	—	627,697
Guiana (Dutch) ..	1,026,050	711,482	—	314,568
Total	222,677,075	124,539,909	3,194,993	101,332,159

VALUE OF MERCHANDISE EXPORTED FROM THE UNITED STATES TO THE REPUBLICS OF SOUTH AMERICA IN THE YEAR 1914, SHOWING THE PROPORTION OF ARGENTINE PURCHASES.

To—	Dollars.	Dollars.
Argentine Republic		45,179,089
Brazil	29,963,914	
Uruguay	5,641,266	
Venezuela	5,401,386	
Ecuador	2,967,759	45,155,108
Guiana (Dutch)	711,482	
Guiana (French)	295,334	
Paraguay	173,191	
Falkland Islands	776	
Chile..	17,432,392	
Peru	7,141,252	
Colombia	6,786,153	34,205,712
Guiana (British)	1,700,360	
Bolivia	1,145,555	
Total value of sales to South America..		124,539,909

The Argentine Republic receives 36·3 per cent. of the total.

PRINCIPAL ARTICLES OF EXPORTATION FROM THE UNITED STATES TO SOUTH AMERICA IN 1914.

Oils: Animal, Mineral, and Vegetable.

	To—	Dollars.
1	*Argentina*	8,114,529
2	Brazil	5,459,788
3	Chile	4,543,734
4	Uruguay	1,534,986
5	Peru	408,065
6	Colombia	364,442
7	Venezuela	277,443
8	Guiana (British)	224,322
9	Ecuador	96,345
10	Guiana (Dutch)	64,634
11	Guiana (French)	40,907
12	Bolivia	40,133
13	Paraguay	9,759
	Total	21,179,087

Wood, and Manufactures of.

1	*Argentina*	7,385,650
2	Brazil	1,106,430
3	Chile	1,053,425
4	Peru	1,024,533
5	Uruguay	791,960
6	Guiana (British)	186,019
7	Venezuela	150,247
8	Colombia	133,040
9	Ecuador	55,688
10	Bolivia	28,937
11	Paraguay	5,538
12	Guiana (French)	2,353
13	Guiana (Dutch)	1,509
	Total	11,925,329

Engines, Locomotives, and Railway Material.

1	Brazil	5,977,886
2	*Argentina*	5,557,770
3	Chile	1,832,593
4	Peru	1,243,692
5	Colombia	1,111,740
6	Venezuela	719,695
7	Uruguay	403,127
8	Ecuador	361,270
9	Bolivia	192,153
10	Guiana (British)	51,725
11	Paraguay	29,366
12	Guiana (Dutch)	6,813
13	Guiana (French)	2,021
	Total	17,489,851

PRINCIPAL ARTICLES OF EXPORTATION—*continued.*

Agricultural Implements.

To—	Dollars.
1 *Argentina*	4,344,886
2 Chile	389,468
3 Uruguay	278,652
4 Brazil	231,698
5 Peru	82,649
6 Colombia	46,597
7 Venezuela	13,187
8 Ecuador	10,018
9 Guiana (British)	7,394
10 Bolivia	2,546
11 Paraguay	1,653
12 Guiana (Dutch)	881
13 Guiana (French)	412
Total	5,410,041

Iron and Steel, Raw Material, and Manufactures of.

1 *Argentina*	4,307,669
2 Chile	3,034,328
3 Brazil	3,013,478
4 Peru	1,020,195
5 Colombia	1,004,703
6 Venezuela	837,507
7 Uruguay	472,475
8 Ecuador	369,753
9 Bolivia	114,489
10 Paraguay	39,285
11 Guiana (British)	36,881
12 Guiana (Dutch)	9,785
13 Guiana (French)	1,628
Total	14,262,176

Leather, and Manufactures of.

1 *Argentina*	1,980,721
2 Brazil	1,008,470
3 Chile	588,706
4 Colombia	277,260
5 Peru	258,909
6 Uruguay	247,737
7 Venezuela	171,312
8 Ecuador	164,626
9 Bolivia	39,089
10 Guiana (British)	34,279
11 Paraguay	20,487
12 Guiana (Dutch)	11,937
13 Guiana (French)	89
Total	4,773,622

PRINCIPAL ARTICLES OF EXPORTATION—*continued.*

Fibres, Vegetable, and Manufactures of.

To—	Dollars.
1 *Argentina*	1,790,054
2 Chile	1,015,158
3 Colombia	956,735
4 Venezuela	525,669
5 Bolivia	374,080
6 Brazil	322,819
7 Peru	278,416
8 Ecuador	213,713
9 Uruguay	208,023
10 Guiana (British)	68,682
11 Guiana (Dutch)	23,245
12 Paraguay	6,314
13 Guiana (French)	1,093
Total	5,784,001

Cars, Carriages, Railway Wagons, Sundry Vehicles, etc.

1 *Argentina*	1,504,454
2 Brazil	931,204
3 Chile	335,061
4 Colombia	233,190
5 Uruguay	229,829
6 Peru	155,385
7 Ecuador	52,708
8 Venezuela	37,978
9 Bolivia	32,893
10 Paraguay	5,693
11 Guiana (British)	1,643
12 Guiana (Dutch)	566
13 Guiana (French)	155
Total	3,520,759

Aeroplanes, Automobiles, Bicycles, Motor and other Cycles, and Parts of.

1 *Argentina*	1,146,658
2 Brazil	399,678
3 Chile	203,815
4 Uruguay	194,055
5 Venezuela	175,667
6 Colombia	100,706
7 Peru	44,886
8 Ecuador	30,291
9 Guiana (British)	18,143
10 Bolivia	14,798
11 Guiana (Dutch)	4,924
12 Paraguay	50
Total	2,333,671

PRINCIPAL ARTICLES OF EXPORTATION—*continued.*

Chemicals, Drugs, Dyes, and Medicines.

To—	Dollars.
1 *Argentina*	1,048,833
2 Chile	407,436
3 Brazil	390,127
4 Colombia	362,149
5 Peru	310,321
6 Venezuela	276,398
7 Uruguay	141,314
8 Ecuador	132,466
9 Guiana (British)	45,079
10 Bolivia	30,813
11 Paraguay	15,550
12 Guiana (Dutch)	8,720
13 Guiana (French)	139
Total	3,169,345

Naval Stores.

1 Brazil	831,277
2 *Argentina*	777,686
3 Uruguay	131,827
4 Chile	68,897
5 Venezuela	55,508
6 Colombia	50,795
7 Peru	41,256
8 Ecuador	6,544
9 Guiana (British)	5,792
10 Bolivia	4,796
11 Paraguay	1,987
12 Guiana (Dutch)	801
13 Guiana (French)	46
Total	1,977,212

Paper, and Manufactures of.

1 *Argentina*	730,313
2 Brazil	317,084
3 Chile	233,603
4 Colombia	112,165
5 Peru	87,481
6 Bolivia	87,196
7 Venezuela	83,249
8 Ecuador	83,089
9 Uruguay	67,546
10 Guiana (British)	6,417
11 Guiana (Dutch)	3,657
12 Paraguay	1,683
13 Guiana (French)	177
Total	1,813,660

PRINCIPAL ARTICLES OF EXPORTATION—*continued.*

Summary.

	Dollars.
Oils: animal, mineral, and vegetable	21,179,087
Wood, and manufactures of	11,925,329
Engines, locomotives, and railway material ..	17,489,851
Agricultural implements	5,410,041
Iron and steel, raw material, and manufactures of..	14,262,176
Leather, and manufactures of	4,773,622
Fibres, vegetable, and manufactures of.. ..	5,784,001
Cars, carriages, railway wagons, sundry vehicles, etc.	3,520,759
Aeroplanes, automobiles, bicycles, motor and other cycles, and parts of	2,333,671
Chemicals, drugs, dyes, and medicines	3,169,345
Naval stores	1,977,212
Paper and manufactures of	1,813,660
	93,638,754
Other goods of minor importance	30,901,155
Total exports to South America	124,539,909

The trade between South America and the United States, since the war, has suffered the following alteration:

PURCHASES FROM SOUTH AMERICA.

Year.	Total. Dollars.	Increase over Former Year. Per cent.
1913	217,734,629	—
1914	222,677,075	2·3
1915	261,489,563	17·4

SALES TO SOUTH AMERICA.

Year.	Total. Dollars.	Decrease over Former Year. Per cent.
1913	146,147,993	—
1914	124,539,909	14·8
1915	99,323,957	20·2

INTERNATIONAL TRADE (IMPORTS AND EXPORTS) OF ARGENTINA, BRAZIL, CHILE, AND URUGUAY.

Year.	Argentina. Population, 7,988,383.	Brazil. Population, 24,308,000.		Chile. Population, 3,551,703.		Uruguay Population, 1,315,714.	
	Argentine Dollars Gold.	Milreis, Paper.	Equivalent in Argentine Dollars Gold.	Dollars Gold at 18d.	Equivalent in Argentine Dollars Gold.	Uruguayan Pesos.	Equivalent in Argentine Dollars Gold.
1901	281,675,851	1,275,880 : 210 $	321,521,812	311,145,742	117,613,090	51,455,714	55,159,353
1902	282,525,983	1,207,054 : 245	304,177,669	318,308,169	120,320,487	57,177,647	61,294,437
1903	352,191,124	1,229,121 : 222	309,738,547	336,279,672	127,291,591	62,473,368	66,971,450
1904	451,463,494	1,288,955 : 306	329,341,617	373,149,864	141,050,648	58,481,343	62,692,000
1905	527,998,261	1,140,451 : 174	375,290,099	453,805,610	171,538,520	61,582,664	66,016,615
1906	562,224,350	1,298,957 : 271	434,768,245	521,500,312	197,127,117	67,892,893	72,781,084
1907	582,065,052	1,505,828 : 626	477,310,685	568,137,077	214,755,815	69,337,277	74,329,635
1908	638,978,077	1,272,099 : 333	401,115,466	586,413,241	221,664,205	71,954,331	77,134,957
1909	700,106,623	1,609,027 : 710	508,214,387	568,512,672	214,897,790	80,641,838	86,448,050
1910	724,396,711	1,653,216 : 642	520,763,242	626,312,873	236,746,276	81,023,459	86,857,148
1911	691,508,224	1,852,466 : 421	622,438,717	688,399,117	260,215,093	84,318,618	90,389,569
1912	865,244,725	2,070,327 : 540	695,630,053	717,682,728	271,284,071	100,687,019	108,129,445
1913	904,857,089	1,976,733 : 368	664,182,393	725,828,254	284,363,080	119,500,000	128,104,000
1914	621,072,041 [1]	1,229,989 : 804 [2]	413,276,574	569,432,134	215,245,346	89,653,679	96,108,743

[1] Argentine trade in 1915 reached 785,173,376 dollars gold.
[2] Brazil trade in 1915 reached 539,491,680 dollars gold.
From Chile and Uruguay no data available.

"RAILHEAD."

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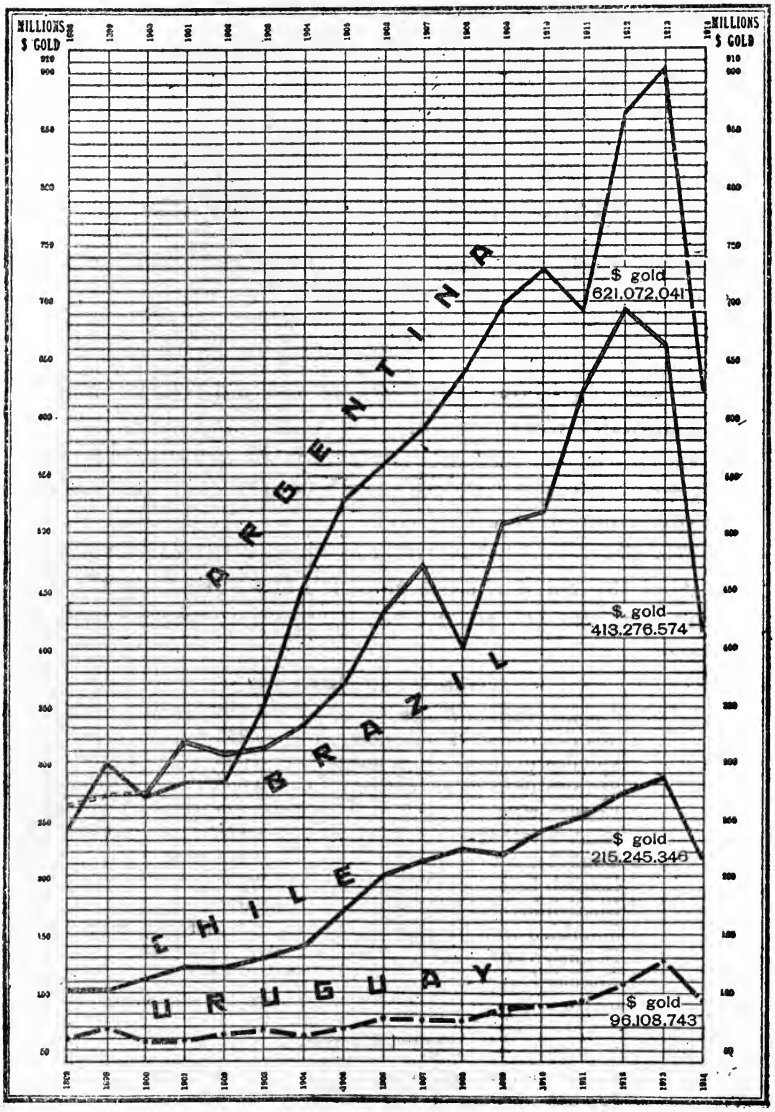
INTERNATIONAL TRADE OF ARGENTINA, BRAZIL, CHILE AND URUGUAY

IMPORTS AND EXPORTS—Value in Argentine Gold Dollars



CHAPTER XXI

CURRENCY, WEIGHTS, MEASURES, ETC.

Currency, weights and measures, chief towns, populations, etc., of the various republics.

CHILE

THE monetary unit of Chile is the gold peso, which is nominally worth 1s. 6d.

In the paper currency, which is in general use, the average equivalent of the peso has of recent years been in the neighbourhood of 10d.

The silver and other coins in use are the pieces representing the 100 centavos of which the peso is made up. These are the 50, 40, 20, 10, 5, 2½, 2, 1, and ½ centavo pieces.

WEIGHTS AND MEASURES.

1 Spanish vara of 3 piés ..	=	0·836 metre
1 Spanish pié of 12 pulgadas..		0·279 „
1 Spanish pulgada of 12 lineas		0·023 „
1 Spanish linea of 12 puntos ..		0·002 „
1 English mile		1,609·306 metres
1 English fathom		1·828 „
1 English yard		0·914 metre
1 English foot		0·305 „
1 English inch of 8 lineas ..		0·025 „
1 Spanish vara of 3 piés ..		2 feet 9 inches
1 English yard		1 vara 3 pulgadas
1 English foot		13 pulgadas
1 metre		1 vara 197 centimetres

Liquid Measure.

1 English Imperial gallon ..	=	4·543 litres
1 Spanish cántara of 4 cuartillas		16·135 „
1 Spanish arroba (oil measure)..		12·563 „

Liquid Measure—continued.

1 Spanish azumbre of 4 cuartillos	2·018 litres
1 Spanish cuartillo of 4 copas..	0·5045 litre
1 Spanish cuartilla of 2 azumbres	4·035 litres
1 Spanish copa	0·1261 litre

Dry Measure.

1 Spanish cáhiz of 12 fanegas ..	= 666 litres
1 Spanish fanega of 12 celemins..	55·560 ,,
1 Spanish celemin of 4 cuartillas..	4·630 ,,
1 Spanish tonelada of 20 quintals..	920·1860 kilos
1 Spanish quintal of 4 arrobas ..	46·0093 ,,
1 Spanish arroba of 25 lb. ..	11·5023 ,,
1 Spanish libra of 16 oz.	0·4601 kilo
1 Spanish onza of 16 adarmes ..	0·0287 ,,
1 Spanish adarme of 36 granos..	0·0018 ,,
1 English ton	1,015·9380 kilos
1 English cwt.	50·7969 ,,
1 English lb. (avoir.)	0·4535 kilo
1 English lb. (troy) of 12 oz. ..	0·3732 ,,
1 English oz. (avoir.)	0·0283 ,,
1 Spanish quintal	101·445 English lb.
1 metric quintal	220·474 ,,
1 English cwt.	101·406 Spanish lb.
1 English lb. (avoir.)	0·9857 ,,
1 English lb. (troy) of 12 oz. ..	0·811 ,,

The population of Chile is rather less than 4,000,000.

The principal towns of Chile are Santiago, Valparaiso, Concepcion, Iquique, Antofagasta, Nuble, Talca, Coquimbo, Los Angeles, Valdivia, and Tacna.

The language of the country is Spanish.

Brazil

The monetary unit of Brazil is the gold milreis, which is calculated as the equivalent of 2s. 7d.

The paper milreis fluctuates in value in the neighbourhood of 1s. 4d.

The milreis contains 1,000 reis, and the "conto de reis," by which large sums are usually calculated, is one thousand milreis (1,000,000), the equivalent of £66 13s. 4d.

The notes in circulation are those for 500, 200, 100, 50, 20, 10, 5, 2, and 1 milreis.

The silver coinage comprises the 2 milreis, 1 milreis, and 500 reis pieces.

The nickel coinage comprises the 400 reis, 200 reis, 100 reis, and 50 reis pieces.

The copper coins comprise the 40 reis and 20 reis pieces.

The metric system is adopted throughout Brazil, but when measuring superficies sometimes an alqueire is used, equal to 2·42 hectares, and when used for measuring capacity this is equal to 50 litres. The arroba represents 15 kilos; when employed for measurement of coffee the arroba equals 10 kilos, and a bag of coffee weighs 60 kilos or 6 arrobas.

The metric system is obligatory, but the following old weights and measures are still used:

Lineal.

		English.	Metric.
1 palmo	= 8 pollegadas	= 8·66 inches	= 0·22 metre
1 pé	1½ palmos	12·99 inches	0·33 metre
1 vara	5 palmos	1·215 yards	1·111 metres
1 braça	2 varas	2·43 yards	2·222 metres
1 milha	1,760 varas	1·215 miles	1,955·36 metres

Surface.

1 braça quadrada		= 5·79 sq. yards	= 4·84 sq. metres
1 geira	= 400 braças quadradas	0·478 acre	19·36 ares
1 alqueire (Rio)	10,000 braças quadradas	11·955 acres	4·84 hectares
1 alqueire (São Paulo)	5,000 braças quadradas	5·977 acres	2·42 hectares

Weight.

1 arratel or libra	= 16 onças	= 1·0119 lb.	= 0·459 kilo
1 arroba	32 arratels	32·3815 lb.	14·688 kilos
1 arroba metrica		33·07 lb.	15 kilos
1 quintal	4 arrobas antigas	129·526 lb.	58·752 kilos
1 tonelada	13½ quintales	15·6125 cwts.	793·115 kilos

Capacity (Dry).

		English.	Metric.
1 alqueire Rio)	(of = 4 quartas ..	= 1·1 bushels ..	= 40 litres
1 alqueire Bahia)	(of	0·997 bushel ..	36·27 litres
1 fanga	.. 4 alqueires ..	3·99 bushels ..	145·08 litres
1 moio ..	.. 15 fangas ..	59·82 bushels ..	2,176·20 litres

Capacity (Liquid).

1 almude	.. = 12 medidas ..	= 7·028 gallons ..	= 31·944 litres
1 pipa ..	.. 15 almudes ..	105·415 gallons ..	479·16 litres
1 tonel ..	.. 2 pipas ..	210·83 gallons ..	958·32 litres

The population of Brazil is about 23,000,000.

The principal towns of the Republic are Rio de Janeiro, São Paulo, Rio Grande do Sul, Bahia, Pernambuco, Para, Porto Alegre, Paraná, Maranhão, Matto Grosso, Alagoas, Santa Catharina, Espirito Santo, Parahyba, Rio Grande do Norte, Sergipe, Piauhy, Manaos, Ceará, and Nictheroy.

The language of Brazil is Portuguese. Much Italian and German, however, are spoken in the southern provinces, very important numbers of Italians and Germans having settled in these districts.

Argentina

The nominal unit is the gold dollar, the equivalent of about 4s. 2d. The peso, or paper dollar, is, however, in general use. The value of the peso as a general rule fluctuates in the neighbourhood of 1s. 9d. It is divided into 100 centavos, the lesser coins being the 50, 20, 10, and 5 centavo pieces.

Weights and Measures.

These are according to the usual convention, the ton being the metric ton of 1,000 kilos.

The language of the country is Spanish.

The population of Argentina now considerably exceeds 7,000,000.

The principal towns of the Republic are Buenos Aires, Rosario, Bahia Blanca, La Plata, Mendoza, Paraná, Santa Fé, Corrientes, Córdoba, Salta, and Tucuman.

Peru

The monetary unit of Peru is the sol; 10 soles are the equivalent of the sovereign.

No paper money exists in Peru.

The gold coins are the Peruvian sovereign and half-sovereign, and the British sovereign and half-sovereign. Both have the same value and standard.

The silver coins are the sol, the half-sol (50 centavos), the peseta (20 centavos), the real (10 centavos), and the medio (5 centavos).

The copper coins are the 2 centavo and the 1 centavo pieces.

The metric system of weights and measures is general along the coast and in the more populous centres. Other weights and measures that are still much used in the interior are the—

Onza	= 1·014 oz.	avoirdupois
Libra	1·014 lb.	,,
Quintal	101·44 lb.	,,
25 libras	1 arroba	

1 Peruvian gallon of wine = 6·70 Imperial gallons.

Lineal and Square Measure.

1 vara	= 0·927 yard.
1 square vara	0·859 square yard.

The population of Peru is about 4,000,000.

The principal towns are Lima (and its adjacent port of Callao), Trujillo, Arequipa, Cerro de Pasco, Cuzco, Cajamarca, Huanuco, Huaraz, Iquitos, Puno, Huancavelica, Ica, Piura, Chiclayo, Tumbes, Huancayo, Paita, Tarma, and Pisco.

The language of the country is Spanish.

Venezuela

The monetary unit of Venezuela is the bolivar. About 25·25 bolivars are the equivalent of the sovereign.

The bank-notes in circulation are those for 1,000, 800, 500, 400, 100, 50, and 20 bolivars.

The principal gold coins are :

	£	s.	d.
The "onza"	3	3	4
25 bolivars	0	19	10
20 ,, ...	0	15	10

The 20-dollar American gold piece is also legal tender.

The silver coins are :

	s.	d.
5 bolivars	3	11½
2·50 ,, ...	2	0
2 ,, ...	1	7
1 bolivar	0	9½
0·50 ,, ...	0	4½
0·25 ,, ...	0	2¼

The nickel coins are :

0·125 bolivar	0	1½
0·05 ,, ...	0	0½

Note.—No nickel coins are in circulation in the interior of the State of Bolivar.

The 5-bolivar silver piece is commonly known as the fuerte. The 0·50-bolivar silver piece is known as the real, and the 0·25 silver piece as the medio.

The 0·125-bolivar nickel piece is known as the cuartillo or locha, and the 0·05-bolivar nickel piece as the centavo.

For weights and measures the metric system is employed.

The population of Venezuela is estimated to approach 3,000,000.

The principal towns of the Republic are Caracas, Maracaibo, Valencia, Barquisimeto, La Guaira, Puerto Cabello, and Ciudad Bolivar.

The language of the country is Spanish. Persons travelling in Venezuela will find a knowledge of this language almost indispensable, as the knowledge of other tongues is by no means so common on the part of its inhabitants as is the case in the countries of the south.

Bolivia

The monetary unit of Bolivia is the boliviano.

Twelve bolivianos 50 centavos are the equivalent of the sovereign.

The bank-notes in circulation are those for 100, 50, 20, 10, 5, and 1 bolivianos.

There is no official Bolivian gold coin, but the British and Peruvian gold coins constitute legal tender.

The silver coins are the 50, 20, and 10 centavo pieces.

The nickel coins are the 10 and the 5 centavo pieces.

In weights and measures the metric system is the one enjoined by law, but many of the old Spanish measures are still retained, such as the following:

Lineal.

1 vara	= 33·43 inches.
3 pies	1 vara.
12 pulgadas	1 pie.

Surface.

1 vara cuadrada = 0·859 square yard.

Dry.

1 arroba = 6·70 gallons.

Liquid.

1 galon = 0·74 gallon.

Weight.

1 libra	= 1·0147 lb.
16 onzas	1 libra.
25 libras	1 arroba.
100 libras	1 quintal.

The population is estimated at about 2,500,000.

SALAVERRY.

PIURA.

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The principal towns of the Republic are La Paz, Cochabamba, Potosi, Sucre, Oruro, Santa Cruz, Tarija, and Trinidad.

The language of the country is Spanish.

Uruguay

The monetary unit of Uruguay is the dollar (gold). About 4·70 dollars are the equivalent of the sovereign.

The British sovereign is legal currency.

The silver coins are the peso (dollar), half-dollar (50-centavo piece), and the 20 and 10 centavo pieces.

The metric system is employed for weights and measures.

The population of Uruguay is about 1,200,000.

The principal towns are Montevideo, Paysandú, Salto, Mercedes, Rivera, Maldonado, and Fray Bentos.

The language of the country is Spanish.

Ecuador

The monetary unit of Ecuador is the sucre. About 10 sucres are the equivalent of the sovereign.

The gold coin is the condor. The value of the condor is 10 sucres. The British sovereign is also legal tender.

The silver coins are the—

1 sucre	=	2s.
$\frac{1}{2}$ sucre		1s.
$\frac{1}{5}$ sucre		5d.
$\frac{1}{10}$ sucre		$2\frac{1}{2}$d.
$\frac{1}{20}$ sucre		$1\frac{1}{4}$d.

Weights.

1 libra	=	1·014 lb. avoirdupois.
100 libras		1 quintal.

The population of Venezuela is about 1,500,000.

The principal towns are Quito, Guayaquil, Cuenca, Latacunga, Riobamba, Ambato, Manta, Bahia, and Esmeraldas.

The language of the country is Spanish.

Paraguay

The monetary unit of Paraguay is the paper dollar. The value of this is subject to great fluctuations, and it is difficult to give a fair average of the number of these which go to make up the equivalent of a sovereign. Of recent years the safest computation would be at anything over sixty.

Measures.

1 vara	= 0·97 yard.
100 varas	1 cuadra.
50 cuadras	1 league (about 2¾ miles).

Square Measure.

1 cuadra	= 2 acres (nearly).
2,500 cuadras	1 square league, Paraguayan (about 7½ square miles).

The population is about a million.

The principal towns are Asuncion, Villarica, Luque, Concepcion, Encarnacion, and Pilar.

The language of the country is Spanish. The Guarani tongue is used as a secondary form of speech.

Colombia

The monetary unit of Colombia is the paper dollar.

The value of this has been subject to considerable fluctuations, but for some years before the outbreak of the war the rough average equivalent to the sovereign exceeded 500.

The weights most generally in use are the French kilogram and the Spanish libra, or pound.

The measures generally used are the French metre and the Spanish vara, or yard.

The population of the Republic is a little in excess of 5,000,000.

The principal towns are Bogotá, Medellin, Barranquilla, Cartagena, Tunja, Popayan, Manizales, Bucaramanga, Pasto, Ibagué, Mompox, Cali, and Santa Marta.

The language of the country is Spanish.

Although this volume is only indirectly concerned with Central America, the following information may be of some use, as after all the border-line between Central America and the north of the Southern continent is very slight.

Currency in the Central American Republics

The currency of Guatemala is the paper dollar. A certain amount of nickel coin is, however, in circulation. The value of the paper dollar fluctuates considerably, and the average for recent years has not fallen much short of the equivalent of 100 dollars to the British sovereign.

In Costa Rica the monetary unit is the gold colon, which, at the present time, is worth about 1s. 10d. The gold coins are the 20-colon, 10-colon, 5-colon, and 2-colon pieces. The silver coins are the 50-cent, 25-cent, 10-cent, and 5-cent pieces. British, French, United States, and German gold is legal tender.

Nicaragua has quite recently converted her currency, converting the peso into the cordoba, the equivalent of a gold dollar. The paper peso, having been regarded with a complete lack of confidence, has now been withdrawn from circulation.

The monetary unit of Honduras is the silver dollar, which is equal to about 1s. 8d. in ordinary times, although its value is, of course, subject to fluctuations.

The nominal currency of Panama is the balboa, or gold dollar, the financial equivalent of the United

States dollar. The actual money in use is the peso, or silver dollar, worth half a balboa. The United States currency is legal tender.

WEIGHTS AND MEASURES.

Guatemala.

The metric system is used. The vara equals 33 inches. Prices are occasionally quoted in English yards.

The quintal (100 Spanish lb.) equals 101·8 lb. English.
The arroba equals 25·4 lb. English.

Costa Rica.

The Guatemaltecan weights and measures given above apply also to Costa Rica. There are in addition:

Lineal and Land Measures.

10,000 square varas (varas cuadradas) = 1 manzana = 172 acres.
1·431 manzanas = 1 hectarea = 2·46 acres.
64·89 manzanas = 1 caballeria = 111·37 acres.

Dry Measures.

4 cuartillos = 1 cajuela.
20 cajuelas 1 fanega = 400 litres = 10·9988 bushels.

Liquid Measures.

1 botella = 1·179 pints.
5 botellas 1 Spanish gallon = 120 liquid ounces.

Honduras.

The vara is in use for measures, and the libra, aroba, and quintal for weights.

Salvador.

As above.

Panama.

Measures as above.

Weights.

1 kilo = 2·2046 lb.
1,000 kilos 1 ton (approximately).
1 litre 1·76 pints.

CHAPTER XXII

METHODS OF THE RIVAL POWERS

Some salient features of the British commercial situation in South America—Firm structure of British trade—Policies of Great Britain and Germany diametrically opposed—Work of the various European nations in the War of Liberation—Sentiments of the British Cabinet towards the Latin patriots—The early South American leaders—A remarkable document—The foresight of genius—Early cordiality between the British and the South Americans—Questions of mutual benefit—The Prussian policy—German capital as a horse of Troy—Prussian ambitions regarding South America and the use to which the fruits of German commerce were put—The policy of Potsdam—Danger of the Prussian military missions—The revelations in North and South America—Procedure of German agents in the Western world—Influence of the missions—A partnership between German military and commercial forces—Policy concerning emigrants—The British in South America—Work achieved by them—German methods of advertising—Some instances.

HAVING now dealt with a considerable number of the aspects of the British commercial situation in South America, we may attempt a survey of some of its most salient features.

In the course of this we are brought face to face with some of the circumstances which we have already considered in part, one of the first of which is Britain's relations towards her chief competitors in the struggle for the trade of the Southern continent.

The most dramatic feature of the present situation is, of course, the complete disappearance of Germany from the field of operations—a disappearance that with proper management need not be of such a temporary nature as is popularly imagined. There is no doubt,

as a matter of fact, that with all the blunders of which British manufacturers—to say nothing of statesmen—have been capable in the past, the structure of British trade, although becoming more and more imbued with a parochial spirit, has been built up on firm ground. Here again we may justly complain that the acreage of this firm ground was altogether too small for the proper development of the trade; but nevertheless, time has shown that even this disadvantage was the lesser of two evils, and that the system had at all events the merit of avoiding the wide swamps on which the Germans flung up their imposing but flimsy commercial erections.

Concerning the comparative merits of these two systems and some general aspects of the circumstances that have led up to the present situation, we may say a few more words before finally abandoning the subject.

It is a curious fact that in almost every respect the policies of Great Britain and Germany as regards South America have been diametrically opposed. This has been evident from the time when the colonial age of Spanish America was drawing to a close to the present day.

When Spanish America was first endeavouring to spread its unclipped wings, the sentiments entertained by the various European Powers towards its complete freedom differed widely. It is a matter of common history how the majority of European sovereigns, fearing for their own thrones, favoured a condition of reaction for the Southern continent, and were thus inclined to employ their influence in working against the objects which the Latin Americans were striving to achieve. It is an equally incontrovertible fact that the State of Prussia constituted one of the most prominent of this group.

So far as Europe was concerned, Great Britain found itself almost alone in the friendliness of its sympathies towards those whom the rest of the Continent regarded

as mere rebels against the divine right of a king. It is true that French sympathies went out liberally to the South Americans in that difficult period of their history—how could it have been otherwise, having regard to its own recent history? But the French nation was itself in no easy position, and its people were too preoccupied with their own difficulties to be able to lend any active assistance to the first struggles of the young Republicans of the South.

Even before the actual outbreak of the South American War of Independence the sentiments of the British Cabinet towards the Latin patriots were plainly of the most friendly nature. Canning was deeply attached to their cause, and Pitt had more than once been on the eve of actual intervention, although in 1806 Mr. Fox protested that the liberation of South America was not part of his Government's programme.

This disclaimer, however, had no effect whatever on the public sympathy. The keenest interest was taken by the British in the doings of the patriots, both in Europe and in South America. This sympathy was absolutely genuine, though it is only fair to admit that one or two of the anticipations were not altogether disinterested. There were serious hopes, for instance that the South Americans, freed from Spain, might turn to Great Britain, and might incorporate themselves in that liberal Empire.

This, of course, was merely a stupendous dream. It was shattered almost directly after it had come into being. It was at this stage that the genuine goodwill of the British was definitely proved. For the decision of the South Americans (in the light of subsequent history a completely sound and inevitable decision) which brought this dream to nothing did not have the slightest effect in diminishing the eagerness of the British to be of assistance in the struggle.

As for the early South American patriots, these had from the very first shown an amazing grasp of the

contemporary and future conditions of their continent. This is made clear in a remarkable document which was drawn up on the 22nd of December, 1917, by the representatives of South America. This contained various proposals, and was entrusted to the famous South American, Miranda, to place before the British Cabinet.

The document clearly proves the intellect and profound foresight of those who combined to draw it up. Some of the clauses refer to the terms which it was suggested to offer to Great Britain in return for her military assistance. Others relate to a commercial treaty between Great Britain and South America, a connection between the Bank of England and the Banks of Lima and Mexico, and a project of alliance between the United States and South America.

But, in the light of the affairs of to-day, there are some much more remarkable clauses than these. These propose a *defensive alliance between Great Britain, the United States of America, and South America, and the opening of the navigation between the Atlantic and Pacific Oceans by cutting a canal across the Isthmus of Panama.*

When it is considered that all this was proposed one hundred and twenty years ago, the document fairly takes one's breath away. They were very remarkable men, those Latin Americans who worked in the midst of political chaos for the freedom of their continent, and whose genius is slowly revealing itself to an astonished world. That the British Government was impressed by this is certain, for in 1798 it made a definite offer to provide money and ships if the United States would send ten thousand troops. In the end, however, nothing came of the matter.

There is no doubt that it was a not unusual vacillation in the first place, and an altered political and military situation in the second, that prevented the official participation of the British a few years later. On the other hand, every private encouragement was given. British Ministers in London welcomed the visiting

South Americans with all cordiality; Miranda was given permission to recruit in Trinidad and Barbadoes, while in England munitions were prepared, and thousands of volunteers made ready for action.

When the volunteers had actually landed on the continent, and were playing their part in one of the greatest dramas of history, undoubtedly one of the most gratifying circumstances of the war is the unanimity and the complete accordance of the views of the South American and the British writers who gave their impressions of the events on the spot.

Without unduly magnifying the nature of such assistance as the British were enabled to give the South Americans in the struggle which preceded the freedom of the continent, it may be said to compare favourably with that rendered by other European nations. Various circumstances accounted for this, such as a temporary lack of the means to back up their goodwill on the part of the French. So far as the Germans are concerned, it is not unfair to assert that the reason of their abstention was a comparative lack of interest in the affairs of Latin America and a complete want of sympathy with the aims of the patriots.

A corresponding state of affairs prevailed in the matter of finance, which is the affair with which we are most directly concerned at present. Britain has the honour of being the first nation to offer the financial key which was destined to unlock the great industrial storehouse of Latin America. Frankly, the move was a wise one from the mere commercial point of view, for it created the firm basis of an association that has now lasted for a century and more, and that has proved of infinite benefit to the Latin Americans and British alike.

Indeed, if the British were in search of testimonials concerning this, there is more than one to be met with in the various archives of the South American nations. One of the most brilliant and striking of all these, and one on which the British, for their part, must

set an extreme value, was that which was presented to them by that famous Argentine General, Bartolomé Mitre, on the inauguration of the Buenos Aires Great Southern Railway in 1861, which I have already quoted in this volume.

Let it not be thought for one moment, however, that there is any foolish claim to philanthropy involved. Neither Bartolomé Mitre nor the financiers deceived themselves on this point. As a matter of fact, operations in capital—from the very nature of the asset—can never be really disinterested. It does seem to me, however, that the British have a right to claim that their offers of financial resources were made in a genuinely friendly and sympathetic fashion, and that this spirit has continued from more than a century ago to the present day.

It is difficult to find any traces of a similar record on the part of the Germans. It is undeniable that they have been financially interested in Latin America, though their investments have never in any way been able to rival the importance of the British interests. But the mere fact that the Germans have not approached in this respect the thousand-million total of the British is in itself no cause for reproach. Whether they can be absolved from this so far as the motives of the enterprise are concerned is, however, quite another matter.

The Prussian policy has been made perfectly clear by her own statesmen and professors, notably by the arch-Junker Bernhardi, who urged that the nation should gather its riches from at home and abroad in preparation for the great aggression, for, as he says, " under conditions like the present the State is not only entitled, but is bound to put the utmost strain on the financial powers of her citizens, since it is vital questions that are at stake."

It is certain that, from the beginning of the twentieth century onwards, the logical results of this policy have become accentuated. A hundred political and com-

mercial Bernhardis have spoken with a clear voice on this subject. Nothing would be easier than to nail down a thousand of their quotations, did space permit. The conclusions may be put in a very few words.

While the British have taken a legitimate pride in their work in South America both for the sake of their own purse and country and of the Southern continent, the Germans have schemed on narrower lines. They, too, have worked in South America—but very largely with the idea of bringing home fresh financial fodder to Potsdam, in order to bring nearer that promised day when the Prussian eagle should float over such vast portions of the earth's surface, including some of the richest stretches of South America itself!

The recent German capital stood for a horse of Troy —that bore inside it an armed menace!

There is no doubt that, so far as the details of military training are concerned, the Prussians were painstaking, if unimaginative, soldiers. Before the outbreak of the present war their methods were considered in many quarters as the best in the world, and the tuition given by their experts was regarded as an invaluable asset by the armies of many nations who had given a less absorbed attention to warlike affairs.

The Prussian himself was by no means loath to accept this position. Indeed, it suited his policy to do so. That gigantic advertising scheme which had been so cleverly inaugurated in Central Europe was certainly not designed to neglect that which has been called the chief industry of Prussia—war! Prussia, therefore, was only too glad to send out its missions of military officers to those countries that felt—or that could be persuaded —that they were in need of them.

Now, the Prussian does not believe in giving something for nothing—and in this it must be confessed that he does not stand alone. The only objects he sends out without any thought of return—and, indeed, his chief hopes and prayers are that there may be no return—

are shell and shot and poison gas! But this is deviating from the point.

Just as the fruits of German commerce were made to serve the so-called world policy of Potsdam, so the German army itself was made to play more than one part in that mediæval scheme of conquest. It must be admitted that the opportunities were far-reaching to the completely cynical Prussian officials. After all, what a field it offered for military, political, and commercial profit! What rare facilities it promised for the cultivation of allies or dupes, as the case might be; for the spread of well-considered propaganda, as well as for the sale of large supplies of munitions of war—almost certainly, in accordance with the ethics of Teutonic patriotism, of a rather inferior type to those in use in Central Europe!

Possibly all these methods are legitimate enough up to a certain point. But we know now what were the actual practices which were put into use. We have seen the extraordinary ramifications which were engineered even in countries where the Prussians did not possess the advantages of a military mission of officers specially told off to train an army abroad in their own methods, and, as a matter of course, trusted by the people of the country to which they were sent. We have seen the working of a desperate policy that began with heavy bribes and by innumerable attempts to corrupt the machinery of the State, and that culminated in the employment of bombs, in criminal outrages, and in deliberate murder.

The revelations that have been made in the United States of North America alone have come as a staggering shock, and have demonstrated to the indignant citizens of that Republic to what extent criminal plottings, terrorism, and an astonishing collection of bitterly hostile deeds can be carried on beneath the shelter of diplomatic privilege. But North America does not stand alone in this respect. In many parts of Latin

America it has been nothing but this abused diplomatic privilege which has stood between the official perpetrators of sordid crime and the utmost penalties of the law. This brings us to a sufficiently startling situation. If all this can be done by mere staffs of embassies and legations, what cannot be achieved by a body of men brought into continuous contact with the flower of the manhood of the nation to which they are sent!

Considering the opportunities that these Prussian military missions have enjoyed, it is a remarkable testimonial, to my mind, to the intelligence and sound common sense of the Latin Americans with whom they have been brought into contact that such a vast amount of carefully prepared and craftily sown seed should have brought about a complete absence of an evil crop. How conscientious was the work of these officials—according to their own unique interpretation of duty—is only now being revealed. It is the historians of the future who will be able to pay the full honours to where they are due on the opposing side!

But, if the Prussian officials succeeded in nothing else, they did at least contrive to introduce their helmet, the pickelhaube, into several parts of South America. Before the outbreak of the war I watched this headgear there, wondering not a little at the sight of it in an atmosphere with which its appearance seemed to be so completely out of harmony.

I am not referring to the actual beauty—or the reverse—of the affair. That is clearly a matter for individual taste. The pickelhaube is an unusually significant object. It has always seemed to me unique among all objects of warlike equipment. It is exclusively Prussian, and at the present moment it stands in the imagination for all that Prussia stands for to-day. It is unnecessary to drag in here the tale of the horrors in Belgium and in Eastern France. Let it suffice to reflect that the pickelhaube more than anything else serves to bring

back to the mind all that which occurred when it passed in merciless arrogance on its temporarily victorious way in those places! The trail that it has left behind it is a sordid thing—part of the ugliest criminal livery that has ever been worn!

No, it is the diffident opinion of a foreigner to South America—who, after all, has no right to express himself strongly in matters that concern those countries alone—that the pickelhaube has no place in the free Republics of Latin America, and I shall be much mistaken if it ever has the opportunity of masquerading there again.

In any case, it has gone the way of many other intrigues from the same source. To-day it must be a matter of satisfaction to the Brazilians to reflect that its leather and its iron point have never been conspicuous on Brazilian soil. Incidentally, too, it must be a source of equal gratification that the work which it set out to do in South America has completely failed throughout the other nine free Republics of the Latin continent.

Let us now turn again to the more directly commercial aspects of the situation.

Bernhardi, as one of the leaders of modern Prussian political thought, has already been quoted to a rather wearisome extent. But for the purposes of this book it is necessary to make further reference to that cynical person's strangely illuminating paragraphs. This is what he has to say concerning the proper methods of employment by the Prussian State of those Germans residing abroad:

"The further duty of supporting the Germans in foreign countries in their struggle for existence and of thus keeping them loyal to their nationality, is one from which, in our direct interests, we cannot withdraw. The isolated groups of Germans abroad greatly benefit our trade, since by preference they obtain their goods from Germany; but they may also be useful to us politically, as we discover in America."

We have seen the enthusiasm with which this frank declaration was carried out in North America, and we have seen its results, and the logical conclusion that followed these—the expulsion of hostile and criminal Prussian agents masquerading as the diplomatic officials of an alleged friendly country, and the inevitable declaration of open war which ultimately followed. We know now, too, that this policy was by no means confined to the United States of North America. Its ramifications extended widely enough throughout South America, and on their power to disorganize the affairs of that continent the eager disciples of Bernhardi laid great hopes—aspirations that have gone the way of so many others that were evolved from the minds of a group of thoroughly keen plotters, but most incomplete students of psychology.

It is clear now that, so far as it lay within the power of the German Government to control the actions of its emigrants to South America, the intention was that every one of these should be, in his own humble fashion, a definite agent of Potsdam. Each should serve as a potential weapon, ready to obey the orders of the Central European Power at a moment's notice, even to the extent of acting against the country that sheltered him, and from the lands of which he was earning his living. Thus in each of these countries were lurking tens of thousands of unsuspected swords, sheathed and hidden in normal times, but ready at an instant's notice to be drawn against the country in the very heart of which they found themselves.

If effected on a smaller scale, this would, at the very least, be termed an abuse of hospitality. But in the case of Germany, this species of burglary in the Imperial Prussian mind becomes burglary no longer, since it is done in the name of the Empire.

Now, whatever may be the faults of the Englishman as a settler in South America, he is certainly free from any taint of this kind. The very reproaches which

have been cast at him from time to time are eloquent on this point. His detractors are given to allege that his principal mission in the Latin continent seems to consist of the introducing of his pet games among people who might otherwise have given a more profound attention to higher and more patriotic national ideals—such, for instance, as the mutual accrediting to each other's countries of an elaborate secret service on the part of Argentina, Brazil, and Chile! By this means the present important South American alliance might undoubtedly have been avoided, and an area of conquest opened up which is at present entirely barred by the most annoying and un-Prussian bonds of peace and union!

I fear that these charges brought against the British are undoubtedly true. Contemptibly inefficient disciples of that strenuous philosopher, Treitschke, they have failed to introduce any healthily aggressive atmosphere of the sort. They even accept with culpable tranquillity the charge that their greatest achievement in South America is the introduction of football into the numerous Republics where that game now flourishes!

More, the average Britisher is prepared to receive even this grim and terrible indictment with a certain active content. Indeed, had he never done anything more reprehensible than this, he is fully prepared to allow that his record would be brighter than it is—or, indeed, than it could possibly be. Games may be frivolous things, but they have added to the health and friendship of nations. Secret services are manufactories of hate.

It may be said, too, that the British have their monuments in South America. I do not mean the statues that have been raised to Cochrane, Brown, and those others who took part in the War of Liberation. No; I allude to the railways, steamships, steam-ferries, and the like, that are now serving the vast riches of the continent—and, indeed, to all things, from the bank and the insurance company in the city to the bull and

the ram on the land, that, after all, bear no insignificant testimony to the fact that British enterprise is still a factor that counts in the affairs of nations.

Reserved and aloof though they are held to be by temperament, it may be said of the British in South America that they have entered into the life of the various Republics with an enthusiasm that they have displayed in few other parts of the world. In a remarkably short time you will find that the British settler has developed a genuine affection for his new surroundings. Here, at least, he finds himself on good terms with his neighbours, and he is well content with the flags of the various Republics as he finds them!

But, it may well be asked, concerning the respective claims of the two nations, have the British the monopoly of these characteristics? Are there no Germans throughout the continent who can lay claim to them with equal right? No doubt there are—and no doubt there are very many. But what is their situation in the national life of Germany at the present moment? They are Prussia's disappointments!

Such as these are, they have failed to conform to the modern standards of Potsdam. They have failed to drink in the doctrine that foreign soil must only be considered as a source from which to derive new fodder for the Prussian supermen! No, they are Prussia's disappointments, and, as a result, they add to the hopes of the civilized world!

We may now regard some other aspects of the recent German influence in South America.

At no previous period of the world's history has the power of the advertisement been so marked as at the present time. The methods which were formerly limited to business communities are now employed by heads of States. Important countries no longer think it beneath their dignity to exhibit in agency windows abroad their products and natural features of interest in order that these should reap the financial benefit of publicity.

No country has realized the power of the advertisement more fully than Germany. The World War has exposed an innumerable range of causes and effects, and this is by no means the least of its revelations. It is, indeed, doubtful whether anything short of the gigantic outbreak would have succeeded in impressing upon the outer world the astonishing spread of the German advertising ramifications and the extent to which these had already influenced the international public mind.

There is no doubt that in this matter the German has been both thorough and consistent. He has employed exactly the same methods in the advertising of his empire, his philosophy, his industries, and his commerce. His plan of campaign was a perfectly simple one. All four, he proclaimed with a continually increasing stridency, were not only the best but the best organized in the world. The latter claim was in all probability true; the accuracy of the former was, to say the least of it, doubtful.

Needless to say, I have no intention here of entering into the question of the respective merits of the British and German industrial products as they were before the war. That sort of thing can only be left to the experts in each branch. Speaking generally, however, it is to be supposed that the intrinsic test of a manufacture remains in its quality, and in this the world at large is perfectly conscious that the German product had not yet approached the British standard.

But, in the conditions that obtained before the war, it is possible enough that even this latter circumstance might have been overlooked in the course of time. The reiteration by the Germans of the merits of German products had reached an almost deafening pitch. Every conceivable lever was brought into play which might assist to destroy the commerce of rivals. An Imperial telegram was always at the service of a German concession-hunter in any of the Latin American States—providing that the concession was of sufficient importance.

There is no doubt that it was a clever move for the inspired policy of the German Empire to be absolutely unanimous. The effect was by no means unimpressive when scientists, noblemen, professors, churchmen, merchants, and lawyers combined to spread the chorus in praise of all things German throughout the world. Listen to one of the typical professors, Sombart, in a mood that is characteristic of himself and of his colleagues:

"No nation in the world can give us anything worth mentioning in the field of science or technology, art or literature, which we have any trouble in doing without. Let us reflect on the inexhaustible wealth of the German character, which contains in itself everything of real value that the Kultur of man can produce."

Here we have the key-note to the German advertising policy of the past forty years. It is this note which permeates all the German utterances and advertisements, and which is applied with such loud enthusiasm equally to German philosophy, physique, cigars, ribbons, agricultural machines, ships, buttons—and even to the "old German god," who, from the German point of view, is plainly a far more potent deity than that other worshipped by the less favoured sections of humanity.

It was as one of the leaders—and, indeed, as one of the *creators*—of this spirit that, as early as 1905, the Kaiser had announced that "We are the salt of the earth." "But," he added as an afterthought, in a rather unusual fit of diffidence, "we must also be worthy to be so."

All the rest has followed automatically. Undoubtedly the Prussian theory is that the productions of supermen must be supernatural!

But there are other points of view. As an object-lesson concerning the respective values of German claims and German performances, I will repeat the following anecdote, which I have already given in a previous work. The incident took place at one of the most important Western European points of departure for steamers for South America.

A few years ago, the agent at that port of the leading British steamship association serving South America noticed that the agent of the rival German line was making a practice of endowing the poster-pictures of his steamers with one funnel beyond the number that they actually possessed. Now it stands to reason that many of the Iberian peasants who take their steerage passages to South America are not a little impressed by details such as these.

The British agent, quite aware of its significance, proceeded to take advantage of the method his rival had instituted. New posters showed the vessels of his line depicted with one funnel more than those shown on the German sheets. At the sight of this the Teutonic agent hastily called his posters in, and replaced them by others, upon which were vessels bearing two more funnels than had those of his last attempt. His improvement was, however, once again excelled by his alert competitor.

The affair continued, in fact, until the German agent, in despair, appealed to his head office in Prussia to intervene, in order to make an end to this spectacular rivalry that he himself had introduced. As a result of negotiations between the two steamship companies a truce in imaginative posters was proclaimed, and the respective pictures began to sail under the proper number of their funnels.

Now, this may be taken as a fair instance of much that has occurred, not only in the shipping world of the German Empire, but in all its industrial and official ramifications as well. It is merely a part of that gigantic scheme of advertising that is prepared to make, and maintain, claims that are perfectly inaccurate—with the idea that the very persistence of these claims may in the end compel the same results as they would have done had they been genuine. But it seems to me that the time for all this is past.

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